



الوطنية
شركة التأمين الوطنية
— تأسست ١٩٦٥ —



إشارة رقم : م ح / 81 / 2026

التاريخ : 01 / 04 / 2026

السادة هيئة الأوراق المالية المحترمين
السادة بورصة عمان المحترمين
عمان - الأردن

تحية طيبة وبعد،،

الموضوع: البيانات المالية المنتهية في 2025/12/31

بالإشارة الى الموضوع أعلاه نرفق طيه البيانات المالية كما في 31 كانون الأول 2025 وفقا للمعيار الدولي لإعداد التقارير المالية رقم (17) باللغة الإنجليزية مدققة من قبل مدقق حسابات الشركة حسب الأصول وهي خاضعة لموافقة البنك المركزي الأردني.

مع وافر الاحترام والتقدير ،،،

المدير العام

د. منال جرار

National Insurance Company
(Public Shareholding Limited Company)
Amman – The Hashemite Kingdom of Jordan
Consolidated financial statements and Independent
Auditor's Report
For the Year Ended December 31, 2025

National Insurance Company
(Public Shareholding Limited Company)
Amman – The Hashemite Kingdom of Jordan
Consolidated financial statements and Independent Auditor's Report
For the Year Ended December 31, 2025

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Independent Auditor's Report

To The Shareholders
National Insurance Company
(Public Shareholding Limited Company)
Amman - the Hashemite Kingdom of Jordan

Opinion

We have audited the consolidated financial statements of National Insurance Company (the "Company") and its subsidiary (together referred to as the "Group"), which comprise the consolidated statement of financial position as at 31 December 2025, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in shareholders' equity, and the consolidated statement of cash flows for the financial year then ended, and a summary of significant accounting policies and the accompanying explanatory notes.

In our opinion, the accompanying consolidated financial statements present fairly, in all material aspects, the financial position as at 31 December 2025, and its financial performance and statements of changes in shareholders' equity, and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards, are further described in the Auditor's Responsibilities for the Audit of the financial statements section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit for the consolidated financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards (IFRS). Additionally, the management is responsible for implementing internal control systems that it deems necessary to prepare consolidated financial statements free from material misstatement, whether due to fraud or error.

When preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern and for making appropriate disclosures regarding matters related to going concern and the use of the going concern basis unless management intends to liquidate the Group or cease its operations, or there is no realistic alternative to do so.

The governance bodies are responsible for overseeing the process of preparing the financial reports in the Group.

Key Audit Matters

The key audit matters are those matters that, in our professional judgment, have received the greatest attention in our audit of the consolidated financial statements for the current year. These matters have been considered in the context of our audit of the consolidated financial statements as a whole, and when forming our opinion thereon, rather than for the purpose of expressing a separate opinion on these matters.

Key Audit Matters (Continued)

Significant Audit Matter	Audit scope to meet the Significant audit matter
<p><u>Assessment of incurred liabilities and Loss component.</u></p> <p>The estimation of liabilities related to incurred claims and the loss component involves a high degree of judgment. This requires estimating the present value of future cash flows and adjusting for non-financial risks (which are part of the incurred claims liabilities) and the loss component (which is part of the remaining coverage liabilities). Non-financial risk adjustments are applied to the estimated present value of future cash flows and reflect the compensation required by the group for bearing uncertainty about the amount and timing of cash flows from non-financial risks when settling its obligations under insurance contracts. The present value of future cash flows depends on the best estimate of the ultimate cost of all incurred claims, whether reported or not settled as of the reporting date. The loss component is recognized at any time during the coverage period if facts and circumstances indicate that a group of contracts is onerous. This loss component is remeasured at each reporting date as the difference between the cash flow amounts at specified settlement under the general measurement model related to future service and the carrying amount of the remaining coverage liabilities excluding the loss component.</p> <p>The Group engages an external actuarial expert, the "appointed actuarial expert," to assist in estimating these liabilities. The expert uses a range of methodologies to determine these liabilities based on a number of explicit or implicit assumptions regarding the expected settlement amount and settlement patterns of claims.</p> <p>As at 31 December 2025, the estimated present value of future cash flows and the risk adjustment for non-financial risk amounted to Jordanian Dinar 19 million, as disclosed in Note 11 to the financial statements.</p> <p>We have considered this a key audit matter due to the inherent uncertainty in the estimation and the subjective judgments involved in assessing the estimated present value of future cash flows and the risk adjustment for non-financial risks arising from insurance contracts.</p>	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> - Understanding, evaluating, and testing key controls around claims processing operations and provisions determination. - Assessing the competence, capabilities, and objectivity of the appointed actuarial expert based on their professional qualifications, experience, and independence. - Conducting objective tests, on a sample basis, on recorded amounts of notified and paid claims, including comparing the outstanding claims amount with appropriate source documents to assess the adequacy of reserves. - Verifying the completeness of data used as inputs in actuarial assessments and testing, on a sample basis, the accuracy of core claims data used by the appointed actuarial expert in estimating the present value of future cash flows, adjusting non-financial risks, and assessing loss components by comparing them to accounting records and other records. - Engaging our own actuarial specialists to evaluate the company's actuarial practices, adequacy of reserves held, and obtaining confirmation regarding the report issued by the appointed actuarial expert. Our actuarial specialists performed the following: <ul style="list-style-type: none"> 1- Assessing whether the company's actuarial methodologies are generally consistent with accepted actuarial practices. 2- Evaluating the appropriateness of key actuarial accounting methods and assumptions used and conducting sensitivity analysis. 3- Providing independent forecasts of the present value of future cash flows, adjusting non-financial risks and loss components for significant lines of business for comparison with amounts recorded by management. 4- Assessing the adequacy and suitability of relevant disclosures in the financial statements.

Other Information included in the Group's 2025 Annual Report

The other information consists of the information included in the Group's annual report for the year 2025 other than the consolidated financial statements and the auditor's report. Management is responsible for the other information. We expect to be provided with the Group's annual report for the year 2025 later. The date of our report on the consolidated financial statements. Our opinion does not cover the other information and we do not express any form of assurance thereon. Our responsibility is to read the other information when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the audit of the consolidated financial statements.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements:

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not guarantee that an audit conducted in accordance with the ISAs that are endorsed will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken based on those consolidated financial statements.

As part of an audit in accordance with International Standards on Auditing ("ISAs") that are endorsed, we exercise professional judgment and maintain professional skepticism throughout the audit. We are also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal Control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion, our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with Management, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide Management with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought bear on our independence, and where applicable, related safeguards.

We recommend the governing bodies to report those matters which were of significant importance during the audit of the Consolidated financial statements for the current year, considering them as key audit matters. We elucidate these matters in our report unless regulations and laws prohibit public disclosure, or in extremely rare circumstances, we deem it inappropriate to report due to the negative implications of disclosure, which reasonably align with the public interest in such reporting.

Independent Auditor's Report (Continued)

Report on Other Legal and Regulatory Requirements:

The National Insurance Public Limited Shareholding Company maintains properly organized accounting records as of December 31, 2025, which are in all material respects consistent with the accompanying consolidated financial statements. We recommend that the General Assembly approve them.

The partner in charge of the audit resulting in this auditor's report was Hasan Amin Othman; license number 674.

Date: 25 February 2026

Amman - Jordan



National Insurance Company
(Public Shareholding Limited Company)
Consolidated Statement of Financial Position
As of December 31, 2025
(Jordanian Dinars)

	Note	2025	2024
<u>Assets</u>			
Deposits at banks -net	6	12,422,819	12,200,907
Financial assets at fair value through other comprehensive income	7	7,039,253	4,375,246
Financial assets at amortized cost	8	12,316,722	8,329,072
Investment properties	9	377,933	395,540
Total investments		32,156,727	25,300,765
Cash on hand and at banks	10	1,123,296	208,729
Insurance contract assets	11	-	17,251
Reinsurance contract assets	12	5,465,109	6,061,237
Deferred tax assets	13	1,148,570	861,807
Property and equipment - net	14	516,294	531,440
Intangible assets- net	15	109,467	141,631
Other assets	16	391,451	273,271
Total Assets		40,910,914	33,396,131
<u>Liabilities and Shareholders' Equity</u>			
<u>Liabilities</u>			
Insurance contract liabilities (Premium Allocation Approach)	11	23,271,813	20,415,501
Reinsurance contract liabilities	12	209,714	255,267
Accrued expenses		58,843	63,075
Provision for income tax	13	572,559	214,580
Other provisions	17	39,204	55,136
Other liabilities	18	488,676	550,641
Total liabilities		24,640,809	21,554,200
<u>Shareholders' Equity</u>			
Authorized and paid-up share capital	19	8,800,000	8,000,000
Statutory reserve	20	2,205,342	1,993,678
Voluntary reserve	20	186,446	800,000
Fair value reserve	21	2,426,904	(186,630)
Retained earnings	22	2,651,413	1,234,883
Total Shareholders' Equity		16,270,105	11,841,931
Total Liabilities and Shareholders' Equity		40,910,914	33,396,131

The accompanying notes from 1 to 51 are an integral part of these Consolidated financial statements

National Insurance Company
(Public Shareholding Limited Company)
Consolidated Statement of Profit or Loss
For the year ended December 31, 2025
(Jordanian Dinars)

	Notes	2025	2024
Revenues:			
Insurance contract revenues	23	31,021,106	28,209,433
Less: Insurance contract expenses	24	(26,010,863)	(26,589,231)
Insurance contract operations results		5,010,243	1,620,202
Reinsurance contracts revenues	25	4,336,488	6,285,980
Reinsurance contracts expenses	26	(7,781,353)	(7,901,844)
Reinsurance contract operations results		(3,444,865)	(1,615,864)
Net insurance operations results		1,565,378	4,338
Finance revenues - insurance contracts	27	(954,411)	(379,355)
Finance expenses - reinsurance contracts	28	150,486	168,946
Net financing results of insurance and reinsurance contracts		(794,925)	(210,409)
Net results of operations and financing of insurance and reinsurance contracts		770,453	(206,071)
Credit Interest	29	1,289,711	1,198,440
Net profit from financial assets and investments	30	317,562	276,661
Other income	31	64,217	6,163
Total Revenue		1,671,490	1,481,264
Un distributed general and administrative expenses	34	323,213	271,134
Un distributed depreciation and amortization		-	12,429
Total expenses		323,213	283,563
Profit for the year before tax		2,118,730	991,630
(Less): Income tax and National contribution		(406,441)	(126,701)
Profit for the year after tax		1,712,289	864,929
		Fils/Dinar	Fils/Dinar
Earnings per share from profit for the year	35	0.195	0.108

The accompanying notes from 1 to 51 are an integral part of these Consolidated financial statements

National Insurance Company
(Public Shareholding Limited Company)
Consolidated Statement of Profit or Loss – Life Insurance
For the year ended December 31, 2025
(Jordanian Dinars)

	<u>Note</u>	<u>2025</u>	<u>2024</u>
<u>Revenues:</u>			
Insurance contract revenues	23	234,812	430,665
Less: Insurance contract expenses	24	(139,068)	(719,957)
Insurance contract operations results		95,744	(289,292)
Reinsurance contracts revenues	25	43,947	486,806
Reinsurance contracts expenses	26	(131,730)	(229,867)
Reinsurance contracts operations results		(87,783)	256,939
Net insurance and reinsurance contracts operations results		7,961	(32,353)
Finance revenues - insurance contracts	27	(9,803)	(8,796)
Expenses – reinsurance contracts	28	5,013	4,258
Net financing results of insurance and reinsurance contracts		(4,790)	(4,538)
Net results of operations and financing of insurance and reinsurance contracts		3,171	(36,891)
Total Revenue		-	-
Profit for the year before tax		3,171	(36,891)
(Less): Income tax and National contribution		-	-
Profit for the year after tax		3,171	(36,891)
		Fils/Dinar	Fils/Dinar
Earnings per share from profit for the year		0.0004	(0.005)

The accompanying notes from 1 to 51 are an integral part of these Consolidated financial statements

National Insurance Company
(Public Shareholding Limited Company)
Consolidated Statement of Other Comprehensive Income
For the year ended December 31, 2025
(Jordanian Dinars)

		<u>2025</u>	<u>2024</u>
Profit for the year		1,712,289	864,929
Add: Other comprehensive income items			
Change in fair value reserve	21	2,613,534	(72,971)
Gains/(losses) on disposal of financial assets at fair value.		102,351	(74,373)
Total comprehensive income for the year		<u>4,428,174</u>	<u>717,585</u>

The accompanying notes from 1 to 51 are an integral part of these Consolidated financial statements

National Insurance Company
(Public Shareholding Limited Company)
Consolidated Statement of Changes in Shareholders' Equity
For the year ended December 31, 2025
(Jordanian Dinars)

	<u>Share Capital</u>	<u>Statutory Reserve</u>	<u>voluntary Reserves</u>	<u>Change in fair value reserve</u>	<u>Retained (Loss)/ earnings</u>	<u>Total</u>
<u>2025</u>						
Balance as of January 1, 2025	8,000,000	1,993,678	800,000	(186,630)	1,234,883	11,841,931
Net profit for the year	-	-	-	-	1,712,289	1,712,289
Total Comprehensive Income for the Year	-	-	-	2,613,534	102,351	2,715,885
Transferred to Statutory Reserves	-	211,664	-	-	(211,664)	-
Distribution of bonus shares.	800,000	-	(613,554)	-	(186,446)	-
Total balance as of December 31, 2025	8,800,000	2,205,342	186,446	2,426,904	2,651,413	16,270,105
<u>2024</u>						
The balance as of January 1, 2024	8,000,000	-	-	-	-	8,000,000
Net profit for the year	-	1,894,515	800,000	(113,659)	543,490	11,124,346
Total Comprehensive Income for the Year	-	-	-	-	864,929	864,929
Transferred to Statutory Reserves	-	-	-	(72,971)	(74,373)	(147,344)
Dividends	-	99,163	-	-	(99,163)	-
Balance as of December 31, 2024	8,000,000	1,993,678	800,000	(186,630)	1,234,883	11,841,931

Retained earnings include an amount of Jordanian Dinar 1,148,570 as at 31 December 2025 (2024: Jordanian Dinar 861,807), representing deferred tax assets that are restricted from distribution in accordance with the instructions of the Securities Commission.

The accompanying notes from 1 to 51 are an integral part of these Consolidated financial statement

National Insurance Company
(Public Shareholding Limited Company)
Consolidated Statement of Cash Flows
For the year ended December 31, 2025
(Jordanian Dinars)

	<u>Note</u>	<u>2025</u>	<u>2024</u>
Cash flow Provided from/ (used in) Operating Activities:			
Net profit for the year before National Contribution And income tax		2,118,730	991,630
Adjustments:			
Depreciation and amortization		85,096	82,863
Interest income		(1,289,711)	(1,198,440)
Dividends		(317,562)	(276,661)
Expected credit losses provision		260,409	-
Loss From sale of Property and equipment		(100,000)	-
Insurance Management Fees Provision		121,519	115,352
Amortization of discount and premium on financial assets		(19,680)	(6,670)
Life Policy Commission Provision		4,875	16,368
Cash flows provided from / (used in) operating activities before changes in working capital		863,676	(275,558)
Insurance contract assets,		17,251	470,705
Reinsurance contract assets		435,719	(2,333,782)
Other assets		(118,180)	212,792
Insurance contract liabilities		2,856,312	2,665,213
Reinsurance contract liabilities		(45,553)	130,846
Other provisions paid		(142,326)	(121,299)
Accrued Expenses		(4,232)	(72,734)
Other liabilities		(46,271)	(258,058)
Cash flows from operating activities before income tax paid		3,816,396	418,125
Income tax paid		(350,919)	(509,039)
Net cash flows provided from / (used in) operating activities		3,465,477	(90,914)
<u>Cash flow from Investing Activities:</u>			
Deposits with banks maturing after three months		450,587	(9,475)
Purchase of Financial Assets at Amortized Cost		(5,671,968)	(866,033)
Disposal of financial assets at amortized cost.		1,704,000	-
(Purchase)/Sale of property and equipment - net		(7,398)	(17,824)
(Purchase)/Sale intangible assets		(12,780)	(31,042)
Purchase of Financial Assets at Fair Value		(608,992)	(991,446)
Sale of Financial Assets at Fair Value		660,870	818,174
Credit Interest Received		1,289,711	1,198,440
Dividends Received		317,562	276,661
Net cash flows (used in)/ provided from investing activities		(1,878,408)	377,455
Net increase in cash and cash equivalent		1,587,069	286,541
Net cash and cash equivalent at beginning of the year		7,899,046	7,612,505
Net cash and cash equivalent at the end of the year	36	9,486,115	7,899,046

The accompanying notes from 1 to 51 are an integral part of these Consolidated financial statements

1- Legal Status and Activities

The National Insurance Company was established as a result of the merger between the National Insurance Company (established in 1965) and Al-Ahliyya Insurance Company (Jordan) in 1986, in accordance with the provisions of the Companies Law of 1964 to engage in insurance activities. It was registered with the Companies Registrar at the Ministry of Industry and Trade as a Jordanian Public Limited Shareholding company under number (199) on December 9, 1986. The group obtained a license to engage in life insurance activities on August 6, 1995, and the current authorized and paid-up capital of the company is 8,800,000 dinars divided into 8,800,000 shares with a par value of one Jordanian dinar each.

The company's name was amended to become National Insurance Company PLC instead of National Insurance Company Al-Ahliyya based on the decision of the company's General Assembly at its extraordinary meeting on April 25, 2007.

The group engages in insurance activities of all types, including vehicles, marine, transportation, fire, other property damages, liability, medical, personal accidents, and life insurance. This is done through the company's headquarters located in Shmeisani - Saeed Qutob Street - next to the Embassy of the Kingdom of Bahrain. P.O. Box: 6156 - Amman 11118 - Telephone: 5681979 - Fax: 5684900, and through the group's agencies spread across the kingdom. During the period, the Company ceased conducting life insurance business on 10 April 2025, based on the Company's request and pursuant to Decision No. 80/2025 issued by the Board of Directors of the Central Bank of Jordan

The consolidated financial statements attached were approved by the group's board of directors at its meeting on February 25, 2026, subject to the approval of the General Assembly of shareholders.

2- Basis of Preparation

- The financial statements of the Company have been prepared in accordance with the standards issued by the International Accounting Standards Board ("IASB") and in accordance with the applicable local laws and according to the forms set by the Central Bank of Jordan ("CBJ").
- The Consolidated financial statements have been prepared according to the historical cost principle, with the exception of financial assets at fair value through Consolidated Statement of other comprehensive income, details of which appear in their accounting policies.
- The Jordanian Dinar is the currency of showing the financial statements, which represents the main currency of the Company.
- The most important accounting policies used in the preparation of the Consolidated financial statements, have been applied on a consistent basis for all the years presented, unless otherwise stated.
- The preparation of the Consolidated financial statements in accordance with International Financial Reporting Standards ("IFRS") requires the use of significant and specific accounting estimates, and also requires management to use its own estimates in the process of applying the Company's accounting policies.

2-1 Principles of Consolidated Financial Statements

- The consolidated financial statements of the company have been prepared in accordance with the International Financial Reporting Standards issued by the International Accounting Standards Board (IASB).
- The consolidated financial statements have been prepared based on the historical cost principle, except for financial assets valued at fair value, which are included in other comprehensive income at their fair value as of the date of the consolidated financial statements.
- The Jordanian Dinar is the presentation currency for the consolidated financial statements, representing the primary currency of the group.
- The Consolidated financial statements of subsidiary companies are consolidated from the date control is acquired until control ceases. The revenues and expenses of subsidiary companies are included in the consolidated comprehensive income statement from the date the group gains control over the subsidiary until control ceases.

National Insurance Company
(Public Shareholding Limited Company)
Notes to the Consolidated Financial Statements
For the year ended December 31, 2025

2- Basis of Preparation (Continued)

2-1 Principles of Consolidated financial statements (Continued)

- Profits, losses, and other comprehensive income items are allocated to equity holders of the parent company and non-controlling interests, even if this results in a deficit in the non-controlling interests' balance. If necessary, the Consolidated financial statements of subsidiaries are adjusted to align their accounting policies with those of the group. Transactions between the group and subsidiary companies are eliminated from the consolidated financial statements, including assets, liabilities, equity, revenues, expenses, profits, and losses

The consolidated financial statements include the financial statements of National Insurance Company PLC (the parent company) and its subsidiaries (referred to collectively as "the Group") as of December 31, 2025.

Company Name	Legal status	Country of establishment	Ownership percentage	
			2025	2024
Nai Real-estate Investments*	Limited liability company	Jordan	%100	%100

*The Nai Real Estate Investments Limited Liability Company was established with a capital of 60,000 dinars fully paid, and it was registered with the Ministry of Industry and Trade on December 16, 2008. It is wholly owned by the National Insurance Company Public Limited Company. On June 1, 2022, the Group's capital was increased to 1,250,000 dinars through the capitalization of 1,190,000 dinars from the Group's liability owed by the parent company (National Insurance Company).

3. Application of international accounting standards for preparing new and amended financial reports

New and Amended Accounting Standards Effective for the Current Year

- Amendments to International Accounting Standard (IAS) 21 – *Lack of Exchangeability*.
- Amendments to the Sustainability Accounting Standards Board (SASB) Standards to enhance their international applicability.

The Company has not early adopted the following new and amended standards that have been issued but are not yet effective. Management is currently evaluating the impact of the new requirements.

Standards Issued but Not Yet Effective

Amendments effective for annual periods beginning on or after 1 January 2026:

- Amendments to International Financial Reporting Standard (IFRS) 9 “Financial Instruments” and IFRS 7 “Financial Instruments: Disclosures”.
- Annual Improvements to IFRS Accounting Standards – Volume 11.

Amendments effective for annual periods beginning on or after 1 January 2027:

- IFRS 18 – Presentation and Disclosure in Financial Statements.
- IFRS 19 – Subsidiaries without Public Accountability: Disclosures.

Management expects to adopt these new standards, interpretations, and amendments in the financial statements in the period of their initial application. Management also expects that the adoption of these new standards, interpretations, and amendments will not have a material impact on the financial statements in the period of initial application, except for IFRS 18, which relates to the reclassification and presentation of the financial statements.

Changes in Classification and Measurement

IFRS 17 establishes specific principles for the recognition and measurement of insurance contracts issued and reinsurance contracts held by the Group.

The key principles of IFRS 17 require the Group to:

- Identify insurance contracts as those contracts under which the Group accepts significant insurance risk from another party (the policyholder) by agreeing to compensate the policyholder if a specified uncertain future event (the insured event) adversely affects the policyholder.
- Separate specified embedded derivatives, distinct investment components, and distinct goods or services other than insurance contract services from insurance contracts, and account for them in accordance with other applicable standards.
- Divide insurance and reinsurance contracts into groups that are to be recognized and measured.

Recognize and measure groups of insurance contracts as the total of:

- The risk-adjusted present value of future cash flows (the fulfilment cash flows), which incorporates all available information about the fulfilment cash flows in a manner consistent with observable market information; plus
- An amount representing the unearned profit in the group of contracts (the contractual service margin).
- Recognize profit from a group of insurance contracts over each period in which the Group provides insurance contract services, as the Group is released from risk. If a group of contracts is expected to be onerous (that is, loss-making) over the remaining coverage period, the Group recognizes the loss immediately.
- Recognize an asset for insurance acquisition cash flows in respect of cash flows paid or incurred before the recognition of the related group of insurance contracts. This asset is derecognized when the insurance acquisition cash flows are included in the measurement of the related group of insurance contracts.

Under IFRS 17, the Group's issued insurance contracts and reinsurance contracts held are eligible to be measured by applying the Premium Allocation Approach or the Variable Fee Approach, as applicable.

The Premium Allocation Approach simplifies the measurement of insurance contracts compared with the General Measurement Model under IFRS 17.

The measurement principles under the Premium Allocation Approach differ from the "earned premium approach" previously applied by the Group under IFRS 4 in the following key respects:

- The liability for remaining coverage reflects premiums received, less deferred insurance acquisition cash flows, and less amounts recognized as insurance revenue for insurance contract services provided.

3- Application of international accounting standards for preparing new and amended financial reports (Continued)

Changes in Classification and Measurement (Continued):

- Under the General Measurement Model and the Variable Fee Approach, the liability for remaining coverage includes an explicit assessment of the risk adjustment for non-financial risk. When a group of contracts is onerous, this assessment is used to determine the loss component (which previously formed part of the unexpired risk reserve).

The measurement of the liability for incurred claims (previously outstanding claims and incurred but not reported claims reserves) is determined on a probability-weighted discounted expected value basis and includes an explicit adjustment for non-financial risk. This liability also includes the Group's obligation to pay other incurred insurance expenses.

- The measurement of the asset for remaining coverage (reflecting reinsurance premiums paid for reinsurance contracts held) is adjusted to include a loss-recovery component, representing the expected recovery of losses on onerous underlying direct contracts when such contracts are reinsured. The Group has determined that the majority of its insurance contracts are eligible for the simplified approach. Accordingly, the Group has elected to apply the Premium Allocation Approach as its accounting policy for eligible insurance contracts.

The application of the Premium Allocation Approach is optional. This means that if the eligibility criteria are met for a particular group of insurance contracts, an entity may choose to measure that group either under the General Measurement Model or under the Premium Allocation Approach.

The Group has determined that contracts are eligible for the Premium Allocation Approach if the coverage period is one year or less (Criterion 1), or if the liability for remaining coverage would not differ materially from that determined under the General Measurement Model at any reporting date (Criterion 2), or if the variability in historical expectations is low, that is, when expectations are stable over time (Criterion 3).

The Variable Fee Approach will be applied to all life insurance contracts for which a direct participating feature can be identified.

Changes in presentation and disclosure

For the presentation in the consolidated financial statements, the group combines issued insurance and reinsurance contracts along with retained reinsurance contracts and displays them as follows:

- Portfolio of issued insurance and reinsurance contracts representing assets.
- Portfolio of issued insurance and reinsurance contracts representing liabilities.
- Portfolio of retained reinsurance contracts representing assets.
- Portfolio of retained reinsurance contracts representing liabilities.

The above-mentioned portfolios are those established at initial recognition according to the requirements of International Financial Reporting Standard 17.

The portfolio of issued insurance contracts includes any assets related to cash flows associated with holding insurance contracts.

Significant changes have been made to the details of individual items in the consolidated income statement compared to the previous year.

4- Use of Estimates and Assumptions

Preparing Consolidated financial statements and applying accounting policies requires the Group management to make estimates and judgments that affect the amounts of financial assets and financial liabilities and the disclosure of potential liabilities. These estimates and judgments also affect revenues, expenses, and allocations, as well as changes in the fair value that appear in the profit or loss statement and in shareholders' equity. In particular, it requires the Company's management to issue important judgments and judgments to estimate the amounts and times of future cash flows. The aforementioned estimates are necessarily based on multiple assumptions and factors that have varying degrees of estimation and uncertainty, and that the actual results may differ from the estimates as a result of changes resulting from the conditions and circumstances of those estimates in the future.

The nature and extent of the changes in the estimates of the amounts contained in the reports of previous financial years do not have a material impact on the current data. Our estimates in the Consolidated financial statements are reasonable and detailed as follows:

4- Use of Estimates and Assumptions (Continued):

Expected Credit Loss

The group applies the simplified approach mandated by International Financial Reporting Standard IFRS (9) to recognize expected credit loss impairments over the lifetime of receivables and contractual assets based on the historical cash flow collection ratio.

Expected loss rates are based on the company's historical credit losses incurred over the previous three years up to the end of the current period. These historical loss rates are then adjusted for current information, considering that the company relies on historical cash flow ratios. It's noteworthy that historical loss rates include economic factors in their calculation.

Impairment in the value of financial assets

The Group reviews the values recorded of the financial assets at the date of the Consolidated financial statements to determine whether there are indications of impairment in their value individually or in the form of a Group, and in the event of such indications, the fair value is estimated in order to determine the impairment loss.

Income Tax

The financial year was charged with its income tax expense in accordance with the regulations, laws and international financial reporting standards as follows:

1- Accrued Tax

Tax expenses are calculated based on taxable profits, which may differ from the profits reported in the income statement because reported profits include revenues not subject to tax, or expenses not deductible in the current fiscal year but in subsequent years, or acceptable tax-deductible accumulated losses, or items not subject to or acceptable for tax deduction purposes.

Taxes are calculated according to the tax rates prescribed by the laws, regulations, and instructions in the Hashemite Kingdom of Jordan.

2- Deferred Tax

Deferred taxes are the taxes expected to be paid or recovered as a result of temporary time differences between the value of assets or liabilities in the Consolidated financial statements and the value on which the tax profit is calculated. Taxes are calculated using the compliance method in the financial statements. Deferred taxes are calculated according to the tax rates that are expected to be applied upon settlement. Tax liability or realization of deferred tax assets.

The balance of deferred tax assets is reviewed at the date of the Consolidated financial statements and reduced in the event that it is expected that it will not be possible to benefit from those tax assets, partially or completely, or to settle the tax liability or select the need for it.

Property, equipment and intangible assets

The management periodically reassesses the useful lives of tangible and intangible assets for the purpose of calculating annual depreciation and amortization depending on the assets and the estimated useful lives expected on the general situation in the future. Impairment loss, if any, is recorded in the profit and loss statement.

The present value of future cash flows

Flows are defined as all amounts expected to be collected and expected to be paid within the limits of the insurance contract / reinsurance contract held after adjusting them to reflect the timing and uncertainty of those amounts, based on actuarial assumptions and the Company's experience in insurance contracts and reinsurance contracts held.

Future cash flows are recognized at the current value of insurance contracts, using historical cash flows and

4- Use of Estimates and Assumptions (Continued):
The present value of future cash flows (Continued)

the local rate of return on local bonds issued by the Central Bank of Jordan, as they are closest to the Group reality. The income or expense from discounting cash flows is treated through the statement of profit or loss. Or for reinsurance contracts, the percentage of illiquidity risks is deducted.

The Company will not calculate a present value for future cash flows on insurance and reinsurance premiums whose duration is less than 12 months.

When developing assumptions regarding estimating flows for groups of insurance contracts, the Company must take into account the following:

- Inherent risks.
- Aggregation level.
- The possibility of natural disasters.
- The possibility of liquidating the contract before the expiration date of insurance coverage, and other Practices expected from the insurance contract holder.
- Factors that will affect estimates, and sources of information for these factors.

Adjustments for non-financial risks

The group sets aside a financial amount to cover the uncertainty regarding the amount and timing of cash flows arising from non-financial risks, based on actuarial assumptions and the group's experience in managing its portfolio of insurance and reinsurance contracts. A cost rate of 7.2% annually has been determined, representing the required return for compensating the exposure to non-financial risks. Capital has been allocated at a confidence level of 75%, expected to align with the business's surface flows. Diversification is included to reflect the diversity in contracts sold across geographical regions, reflecting the compensation demanded by the group. Adjustments for non-financial risks are reassessed annually by the actuary.

The cost rates for adjustments for non-financial risks have been determined as follows:

- 1- Third-party liability insurance: 5%
- 2- insurance Of Complex: 5%
- 3- Comprehensive insurance: 5%
- 4- Medical insurance: 6%
- 5- Life insurance: 7%
- 6- Fire insurance: 22%
- 7- Engineering insurance: 22%
- 8- Liability insurance: 22%
- 9- Marine insurance: 22%

Non-insurance Components

The Company discloses the following aspects:

- Defining the insurance risks.
- Defining the insurance contract, and defining the written insurance contracts that are consistent with The definition.
- Determining the contracts issued by the Company that are consistent with the definition of the insurance Contract.
- The mechanism for separating the non-insurance components (investment component, service component, etc.) From the insurance contract, and if they exist, the most specialized standard that will be applied to Address those components is mentioned.
- Mechanism for determining the materiality of the risks of the insurance contract.

4- Use of Estimates and Assumptions (Continued)

Lawsuits Against the group

The provisions for legal claims against the group are established based on a legal study prepared by the group's legal counsel, which identifies potential risks in the future. These studies are periodically reviewed and revised.

Fair Value Levels

Fair value is the value that is expected to be received when selling an asset, or paid to transfer any liability in regular transactions between market participants on the measurement date under prevailing market conditions, regardless of whether that price is directly observable or estimated using another valuation method. The fair value measurement is based on the assumption that the asset or liability will be sold either:

- Through the main market for the assets or liabilities, or
- Through the most advantageous market for assets or liabilities in the absence of a primary market.

The main or most advantageous market must be accessible to the Company.

Fair value is measured using the assumptions used by market participants when pricing assets or liabilities, assuming that market participants act in a way that achieves the best economic benefits for them.

Measuring the fair value of non-financial assets takes into account the ability of market participants to provide economic benefits by using the assets in a way that achieves the best benefit from them or by selling them to Another market participant to use them in a way that achieves the best benefit from them. The Company uses valuation methods that are appropriate to the existing circumstances and conditions and has sufficient data to

Measure fair value, makes greater use of relevant observable data, and reduces the use of unobservable data to the greatest extent.

All assets and liabilities that are measured at fair value or disclosed in the Consolidated financial statements are classified within the hierarchy of fair value levels mentioned below and on the basis of the lowest level inputs that are significant to the fair value measurement as a whole:

- Level One: Prices traded in an active market for similar assets or liabilities.
- The second level: measurement methods that consider the lower-level inputs (important for measuring fair value) that are directly or indirectly observable.
- The third level: measurement methods that consider the lowest level inputs - that are significant to measuring fair value - to be unobservable.

The fair value measurement of available-for-sale financial assets, and non-recurring measurements, such as assets held for distribution in a discontinued operation, are evaluated on a periodic basis.

For the purpose of fair value disclosure, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as described above.

5-Significant Accounting Policies

A. Segments Information

The business segment represents a Group of assets and operations that jointly provide products or services that are subject to risks and returns that differ from those related to other segments, which are measured according to the reports that were used by the CEO and the main decision maker of the Group.

The geographical segment is related to providing products or services in a specific economic environment subject to risks and returns that differ from those related to sectors operating in other economic environments.

B. Goodwill

The company does not record the value of goodwill.

5-Significant Accounting Policies (Continued)

C. Insurance contracts

Definition of insurance contract

It is a contract whereby one party (the issuer) accepts a substantial insurance risk from another party (the contract holder), by agreeing to compensate the contract holder in case of the occurrence of a specific and uncertain future event (the insured event) such that this event, if it occurs, adversely affects the contract holder/beneficiary, the insurance contract is recognized according to the following deadlines, whichever is earlier:

- The beginning of the contract coverage period.
- The due date of the first contract installment.
- The date on which the insurance contract is considered a contract with an expected loss.

When a group of contracts becomes onerous, the group relies on the contract inception date instead of the payment due date, as there is no data indicating that the payment due date precedes the contract inception date.

Company's products

All contracts issued by the Company meet the definition of an insurance contract. Below is a breakdown of the insurance contracts issued by the Company that meet the definition:

<u>Main Insurance Type</u>	<u>Sub Type of Insurance</u>	
<u>Engineering insurance</u>	Electronic devices insurance	Comprehensive installation risks insurance
	Boiler and machinery insurance	Comprehensive installation risks insurance
	Equipment breakdown insurance	Property damage insurance
<u>Fire</u>	All risks insurance	Fire and allied risks insurance
	Jewelry insurance	Home insurance
<u>Liability incurrence</u>	Cybersecurity insurance	Directors and officers' liability
	Employers' liability	Professional indemnity insurance
	Civil liability for airports	Event cancellation insurance
	Product liability	Work accidents
<u>Other general insurance</u>	Travel insurance	Glass panel insurance
	Financial loss insurance	Cybercrime insurance
	Comprehensive banking coverage insurance	Kidnapping and ransom insurance
	Personal accident insurance	Fidelity insurance
	Cash insurance	Aviation insurance
<u>Marine insurance</u>	Hull insurance	Marine cargo insurance
<u>Motor insurance</u>	Comprehensive insurance	Border crossing insurance
	Third-party insurance	The Orange Card
	Complementary insurance	Bus insurance
<u>Medical</u>	Group medical insurance	Individual medical insurance
<u>Life insurance</u>	Group life insurance	Individual life insurance

5-Significant Accounting Policies (Continued)

Direct participating feature

The direct participation feature in IFRS 17 is defined as insurance contracts that have economic characteristics similar to an insurance contract (long term of coverage, frequent premiums and amount or timing of return at the discretion of the issuer) and are linked to a portfolio of assets. Contracts that contain this feature at the beginning of the contract, include:

- The contractual terms specify that the insurance contract holders participate in a share of the insurance contract portfolio of assets.
- The Group expects to pay the contract holder a significant share of the fair value proceeds from the portfolio of insurance contracts.
- The Group expects that a significant proportion of any change in the amounts that will be paid to the contract holder will vary with the change in the fair value of the insurance contracts portfolio.

Types of direct participating feature

Investment contracts

Investment contracts that have a legal form similar to an insurance contract but do not transfer significant insurance risk to the issuer and bear financial risks (embedded derivatives, change in the fair value of an instrument, change in interest rates, change in currency exchange rates, or credit rating) are classified as investment contract in accordance with IFRS (9).

Investment contracts that contain the feature of voluntary participation, which are investment contracts that have a legal form similar to an insurance contract, but do not transfer significant insurance risks to the issuer and do not meet the definition of an insurance contract, but are classified in accordance with International Financial Reporting Standard No (17).

Self-insurance

Self-insurance (keeping the risks that could have been covered by the insurance contract within the Company, there is no other party to the contract). For example, a Company issuing an insurance contract in the name of the Company or a fellow subsidiary, which is classified in accordance with IFRS (15).

The Group issues the following contracts that are classified according to IFRS (15) as follows:

- Medical insurance contract for employees of the National Insurance Company Public Limited Shareholding.
- Life insurance contract for employees of the National Insurance Company Public Limited Shareholding.
- Vehicle insurance contracts owned by the National Insurance Company Public Limited Shareholding.
- All-risk insurance contracts for buildings owned by the National Insurance Company Public Limited Shareholding.

Separation of non-insurance components

The investment component

A Group is required to separate the distinct investment component distinct from the underlying insurance contract when the investment component is distinct if and only if the following two conditions are met:

- 1- The investment component and the insurance component are not closely related.
- 2- The contract is sold on equivalent terms, or may be sold, September separately in the same market or Jurisdiction, either by the entities issuing the insurance contracts or by other parties.

The investment component and the insurance component are directly related if, and only if:

- 1- The Group was unable to measure one component without looking at the other. Therefore, if the value of one component varies according to the value of the other component, the Group must apply IFRS (17) to calculate the co-investment and insurance component.
- 2- The policyholder cannot benefit from one of the components unless the other is also present. Therefore, if the lapse or maturity of one component of a contract causes the lapse or maturity of the other, the Group must apply IFRS (17) to account for the investment component and the combined insurance component.
- 3-The group does not have any products containing an investment component.

5- Significate Accounting Policies (continued)

Components of services and goods

The Group shall September rate any undertaking to transfer distinct goods or services to the policyholder other than insurance contract services. And it must account for these commitments by applying International Financial Reporting Standard (15). Accordingly, it is:

- 1- Separate the cash inflows between the insurance component and any promises to provide distinct goods or services other than insurance contract services.
- 2- Separate the cash outflows between the insurance component and any promised goods or services other than insurance contract services, so that:
 - The cash outflows that relate directly to each component are attributable to that component.
 - Any cash outflows are attributed on a systematic and logical basis, reflecting the cash outflows the entity expects to arise as if this component were a Separate contract.

A good or service other than the insurance contract promised to the policyholder is not distinctive if:

- A- The cash flows and risks associated with the good or service are closely related to the cash flows and risks associated with the insurance components of the contract.
- B- The Group provides an important service in linking the commodity or service with the components of the insurance.

The Group has the following service component that is not Separated from the insurance contract under item (a + b):

Service / goods	Insurance contract that includes the service / goods	Related international standard
Road assistance	Comprehensive/supplementary car insurance	IFRS (17)
Transfer vehicle ownership	Motor vehicles	IFRS (17)
Issuance fees service	All types	IFRS (17)

Materiality:

The Materiality in the group is 3.7% of the group's net profits. The feasibility of applying the premium allocation approach was tested for travel, life, and engineering insurance, where the coverage period for these policies exceeds one year, and the premiums from these products collectively amount to less than 50,000 Jordanian Dinars, which is not of relative importance when applying the premium allocation approach.

Acquisition cost

An entity shall allocate acquisition costs to the acquisition of the insurance contract to groups of insurance contracts and amortize them over the term of the contract, unless the entity elects to recognize them as an expense by applying paragraph 59 (a), which states:

When applying the premium allocation approach, the entity. It may choose to recognize any cash flows from acquiring insurance as an expense when those costs are incurred, provided that the coverage period for each contract in the Company on initial recognition does not exceed one year.

The Group did not Choose the mentioned exception and all revenues and expense were amortized over contract Year.

5- Significate Accounting Policies (continued)

Recognition of the insurance contract

The Group shall recognize the Group of insurance contracts as of the following dates, whichever is earlier:

- The beginning of the coverage period.
- Eligibility for the first payment.
- The date on which the insurance contract is considered a contract with an expected loss.

When a group of contracts becomes burdensome, the Group adopts the contract registration date instead of the payment due date, as there is no data indicating that the payment due date precedes the contract registration date, which equals the beginning of the insurance coverage.

Reinsurance Contracts Held

These are contracts entered into with reinsurers to compensate the insurance company for claims arising from insurance contracts issued by it.

Reinsurance contracts held are established:

At the inception of the reinsurance contract or upon initial recognition of the insurance contract issued by the group if the reinsurance contract corresponds to a group of insurance contracts.

From the beginning of the coverage period of the group of reinsurance contracts held for other cases.

Liabilities for Remaining Coverage

The amount that the group must recognize upon initial recognition of insurance contracts, pertaining to subsequent financial years due to effective insurance contracts.

Liabilities versus claims incurred

It is the total value of the expected costs incurred by the Group as a result of risks covered by the insurance contract that occurred before the end of the fiscal year, and includes those reported and unreported claims, in addition to the expenses related to them.

Contractual service margin

It is the unearned profit from remaining coverage that is expected to be profitable, and which is recognized in conjunction with the provision of insurance contract services.

Initial recognition of insurance contracts / general measurement approach / variable cost approach

The Company of insurance contracts is measured upon initial recognition according to the following:

1. Cash flows to fulfill obligations arising from contracts, which include:
 - Estimates of future cash flows.
 - Adjustments for the time value of money and the financial risks associated with future cash flows by not including those financial risks in future cash flow estimates.
 - Non-financial risk adjustments.
2. Contractual service margin.

Contracts measurement approach

The standard provides insurance companies with three approaches for measuring and processing insurance contracts and reinsurance contracts held by accounting, as follows:

1- Premium allocation approach

It applies to the group of insurance contracts shown below:

- The duration of the insurance coverage does not exceed one year.
- In which the value of "Liabilities vs. Residual Coverage" does not substantially differ from its value when applying the requirements of the general approach.

2- General approach

It is applied to all insurance contracts, where it is required to measure the obligations of the insurance contract groups by deducting the future cash flows "incoming and outgoing", and then subtracting from them non-financial risk adjustments to reach the contractual service margin, which represents the unearned profit from the group of insurance contracts.

5- Significate Accounting Policies (continued)

Contracts measurement approach (Continued)

3- Variable cost approach

It is the approach through which some requirements of the general approach are modified to deal with investment contracts that include the participation feature.

The Group applies the premium allocation approach to all insurance contracts and reinsurance contracts held, as the Group does not have products or reinsurance contracts held in which the coverage period exceeds one year, unlike travel and life insurance, diminishing engineering as the coverage period for these contracts is more than one year, and since the premiums of these products combined are less than 100,000 JD and it is not of Materiality when applying premium allocation approach.

Measurement approaches

Premium allocation approach

1- Initial proof of insurance contracts

- Upon initial verification, the Group records the amount of the insurance premium received as a liability, From which the acquisition costs (commissions “if any”) are subtracted and distributed throughout the year Of coverage.
- The amount of insurance premium not received is not recognized upon initial recognition.

2- Subsequent measurement/installment allocation approach

At the end of each subsequent year, the Group measures the carrying amount of the liability, taking into consideration the following adjustments to the liability balance:

- Add the insurance premiums received for the year.
- Subtract cash flows for the acquisition of insurance contracts.
- Add any amounts related to the exhaustion of cash flows to acquire established insurance contracts as an expense.
- Add emergency amendments to the financing component.
- Subtract the amount proven as insurance revenue for the coverage provided in that year.
- Subtract any paid or transferred investment component of the liability for claims incurred.

The Company recognizes insurance contract assets for insurance contracts for which service is provided but has not been collected. Expected credit losses for these assets are treated under IFRS No. (9).

3 - Liabilities for claims incurred

Which is calculated according to the best estimate of future cash flows to pay claims plus adjustments for non-financial risks, taking into account the application of the discount rate to claims.

Modification of Insurance Contracts

The group modifies insurance contracts by addressing expected changes in future cash flows resulting from changes in estimates of cash flows to fulfill the contracts, unless cancellation conditions for insurance contracts apply.

Derecognition of Insurance Contracts

The group cancels the recognition of insurance contracts in the following cases:

- Termination of the contract. (Expiration of the commitment specified in the insurance contract, or fulfillment or cancellation thereof)
- In the event of modification of the insurance contract and this modification does not meet the modification criteria according to the requirements of the standard, the group cancels the contract and recognizes a new contract.

5-Significate Accounting Policies (continued)

Expected Loss Insurance Contracts

The group recognizes insurance contracts as expected loss contracts if it is expected to incur a loss at the initial recognition date. The loss component is measured by comparing the expected cash flows to fulfill the contract's obligations or group of contracts with the cash flows received from this contract or group of contracts. The group discloses the loss component if the value of the contractual service margin equals zero.

Summary of Measurement Approaches

1- The group classifies insurance contracts according to the following criteria:

Portfolio	Contract classification	Measurement approach
Engineering	Insurance contracts	Premium allocation approach
General Insurance	Insurance contracts	Premium allocation approach
	Insurance contracts	Premium allocation approach
Motor	Roadside assistance service	International Financial Reporting Standard 15
Life	Insurance contracts	Premium allocation approach
Fire	Insurance contracts	Premium allocation approach
Marine	Insurance contracts	Premium allocation approach
Medical	Insurance contracts	Premium allocation approach
Travel	Insurance contracts	Premium allocation approach

2-The group classifies its retained reinsurance contracts according to the following:

Portfolio	Measurement approach
Engineering	Premium allocation approach
General Insurance	Premium allocation approach
Motor	Premium allocation approach
Life	Premium allocation approach
Fire	Premium allocation approach
Marine	Premium allocation approach
Medical	Premium allocation approach
Travel	Premium allocation approach

Aggregation Level

Insurance contracts portfolios are categorized into groups based on the year of underwriting. This involves aggregating insurance contract portfolios with similar and managed risks together.

5-Significate Accounting Policies (continued)

The present value of future cash flows

Cash flows are defined as all amounts expected to be collected and expected to be paid within the limits of the insurance/reinsurance contract held after adjusting to reflect the timing and uncertainty of those amounts, based on actuarial assumptions and the company's experience in managing the insurance/reinsurance contract portfolio, such as:

- Inherent risks.
- Aggregation level.
- Probability of natural disasters.
- Probability of contract settlement before the expiration date of insurance coverage, and other expected practices of the insurance contract holder.
- Factors affecting estimates, and sources of information for these factors.

A bottom-up approach is applied to determine discount rates for various products. The ascending approach is used to derive the discount rate for cash flows that do not change based on returns from underlying items in participating contracts (except for investment contracts without discretionary participation features not within the scope of International Financial Reporting Standard 17).

Under this approach, the discount rate is determined as the risk-free rate adjusted for differences in liquidity characteristics between the financial assets used to derive the risk-free rate and the cash flows of the related liabilities (known as liquidity premium). The risk-free rate is derived using available market swap rates denominated in the same currency as the product being measured. When swap rates are not available, highly liquid sovereign bonds with AAA credit rating are used. Management exercises judgment to assess the liquidity characteristics of cash flows for liabilities, considering that direct participation contracts and investment contracts with discretionary participation features are less liquid than the financial assets used to derive the risk-free rate. For these contracts, the liquidity premium is estimated based on the significant liquidity premium in the market for financial assets adjusted to reflect the liquidity characteristics of the cash flows of the liabilities.

A top-down approach is used to derive discount rates for cash flows that do not change based on returns from underlying items in all other contracts within the scope of International Financial Reporting Standard 17. Under this approach: The discount rate is determined as the implied yield in the fair value of a modified reference portfolio adjusted for differences between the reference portfolio for assets and the cash flows of the related liabilities. The reference portfolio consists of a mix of sovereign bonds and corporate bonds available in the markets, and assets are selected to match the adjusted yield from the reference portfolio to remove expected and unexpected credit risks. These adjustments are estimated using information from significant historical levels of default swaps and credit default events related to bonds included in the reference portfolio. For the year not observable, the yield curve is approximated between the final rate and the last observable point using the Wilson-Smith method.

The company does not calculate the present value of future cash flows on insurance and reinsurance premiums with a duration of less than 12 months.

The company calculates the present value of future cash flows on incurred claims, recoveries, and receivables from retained reinsurance contracts based on the company's assessment when repayment or collection is expected after more than 12 months.

5-Significate Accounting Policies (continued)

The present value of future cash flows (continued)

To calculate the discount rate, a top-down approach will be used as follows:

A- Risk-free yield curve:

The risk-free yield curve will be derived as follows:

- 1- Interest rates will be used according to the required year (Eiopa).
- 2- An additional margin will be added to the above interest rate by (1.5%) for the purpose of converting interest from dollars to Jordanian dinars, as the company's investments are in Jordanian dinars.

B- Market Risk Premium for Credit Risks:

The market risk premium for credit risks will be removed from the yield curves to account for "default" in insurance contracts as follows:

The discount rate = Risk-free rate - Market Risk Premium for Credit Risks.

Non-Financial Risk Adjustments:

The company sets aside a financial amount to cover the uncertainty regarding the amount and timing of cash flows arising from non-financial risks based on actuarial assumptions and the company's experience in managing the insurance/reinsurance contract portfolio.

Non-financial risk adjustment is the required compensation for the company to bear the uncertainty regarding the amount and timing of cash flows arising from non-financial risks when fulfilling an insurance contract. Since risk adjustment represents compensation for uncertainty, estimates are made regarding the degree of diversification benefits and expected positive and negative outcomes in a manner that reflects the extent of risk mitigation by the company. The company estimates non-financial risk adjustments separately from all other estimates, and the adjustment is calculated at the issuer level and then distributed to each group of contracts according to their specific risk levels. The cost of capital approach is used to derive the comprehensive non-financial risk adjustment. In the cost of capital approach, the risk adjustment is determined by applying the cost rate to the present value of the expected capital related to non-financial risks.

The present value of capital has been determined and the cost rate for non-financial risk adjustments has been determined based on the following ratios:

The cost rate for non-financial risk adjustments has been determined based on the following ratios:

1. Third-party liability insurance at a rate of (5%).
2. Collective insurance at a rate of (5%).
3. Comprehensive insurance at a rate of (8%).
4. Medical insurance at a rate of (6%).
5. Life insurance at a rate of (7%).
6. Fire insurance at a rate of (20%).
7. Engineering insurance at a rate of (20%).
8. Liability insurance at a rate of (20%).
9. Marine insurance at a rate of (20%).

The confidence level is set at 75%, and it is expected to align with the surface runoff of business activities.

Diversification benefits are included to reflect the diversity in contracts sold across geographical regions, where this compensation is required by the company. Non-financial risk adjustments are to be reassessed annually by the actuary.

Profitability Level:

The groups of contracts referred to in the previous level are classified into the following categories, based on the expected net cash flows from the contract and the accounting method used in processing contract groups:

- Contracts with no expectation of becoming loss-making upon initial recognition.
- Contracts expected to incur losses.
- Other contracts, if any.

5- Significant Accounting Policies (continued)

Financial assets

Financial assets are classified upon initial recognition into one of the categories as follows:

- At amortized cost.
- At fair value through profit or loss.
- At fair value through the statement of other comprehensive income.

A- Financial assets at amortized cost

The Group classifies financial assets at amortized cost based on the Company's business approach for managing financial assets and the contractual cash flow characteristics of the financial assets and when both of the following conditions are met:

- The purpose of holding these assets in the context of the business approach is to collect contractual cash flows.
- The cash flows under the contractual terms of these assets arise on specified dates and represent only Payments of the principal amount of the assets and interest accrued on the principal of those assets.

Financial assets are recorded at amortized cost using the cost method upon purchase plus acquisition expenses. The premium/discount (if any) is amortized using the effective interest method to limit or calculate interest, and any provisions resulting from a decline in the value of these investments that lead to the inability to recover this investment are deducted. Part of it, and any decrease in its value is recorded in the profit and loss statement.

The amount of impairment in financial assets at amortized cost is the difference between the recognized value and the present value of expected cash flows discounted at the base effective interest rate.

In rare cases, the standard allows these assets to be measured at fair value through the Consolidated Statement of Profit or Loss if this eliminates or significantly reduces the measurement inconsistency (sometimes called accounting mismatch) that arises from measuring the assets or liabilities or recognizing the gains and losses resulting from them on a different basis.

The value of financial assets is reduced at amortized cost by impairment losses, as interest income, gains and losses on foreign currency differences and impairment are recognized in the statement of profit or loss, and gains or losses resulting from the disposal of financial assets appear in the statement of profit or loss.

B- Financial assets at fair value through the statement of profit or loss:

- The remaining financial assets that do not meet the conditions of financial assets at amortized cost are measured as financial assets at fair value.
- Financial assets at fair value through the Consolidated Statement of Profit or Loss represent investments in equity and debt instruments for trading purposes, and the purpose of keeping them is to generate profits from short-term market price fluctuations or trading profit margin.
- Financial assets are recorded through the Consolidated Statement of Profit or Loss at fair value upon purchase (acquisition expenses are recorded in the Consolidated Statement of Profit or Loss upon purchase) and are re-evaluated at the date of the Consolidated financial statements at fair value, and subsequent changes in the fair value are recorded in the Consolidated Statement of Profit or Loss at the same time. The year the change occurred, including the change in fair value resulting from translation differences on non-monetary asset items in foreign transactions. Dividends or returns are recorded in the Consolidated Statement of Profit or Loss when they are realized. (Approved by the General Assembly of Shareholders)

5- Significant Accounting Policies (continued)

Financial Assets (continued)

Reclassification

It is permissible to reclassify from financial assets at amortized cost to financial assets at fair value through profit or loss and vice versa only when the Company changes the business approach on the basis of which it classified those assets as mentioned above, taking into account the following:

- It is not permissible to recover any profits, losses or interests that were previously recognized.
- When financial assets are reclassified so that they are measured at fair value, their fair value is determined on the date of reclassification, and any profits or losses resulting from differences between the previously recorded value and the fair value are recorded in the statement of profit or loss.
- When financial assets are reclassified to be measured at amortized cost, they are recorded at their fair value as of the date of reclassification.

C-Financial assets at fair value through the statement of other comprehensive income:

- Upon initial recognition of investments in equity instruments that are not held for the purpose of trading, it is permitted to adopt an irrevocable option to present all changes in the fair value of these investments on an individual basis (each share separately) within the items of other comprehensive income, and it is not possible under any circumstances to In the event that at a later date, the amounts of these changes recognized in other comprehensive income are reclassified to the statement of profit or loss, while the dividends received from these investments are recognized in net investment income, unless these distributions clearly represent a partial recovery of all investments.
- In the event that these assets or part of them are sold, the profits or losses resulting from the sale are transferred from the balance of the accumulated net change in fair value through other comprehensive income to retained profits or losses and not through the statement of profit or loss.

Real estate investments

Real estate investments are shown at cost after subtracting accumulated depreciation (excluding lands). These investments are depreciated over their useful life at a rate of 4%. Any decline in their value is recorded in the statement of profit or loss. The operating revenues or expenses of these investments are also recorded in the statement of profit or loss.

Property and equipment

Property and equipment are stated at cost after deducting accumulated depreciation and any accumulated impairment losses. Property and equipment (except land) are depreciated when they are ready for use on a straight-line basis over their expected life using the following annual percentages. The depreciation expense is recorded in the statement of profit or loss.

Asset	Depreciation Rate (%)
Buildings	2%
Equipment and furniture	15%-35%
Transportation	15%
Decoration	15%

5- Significate Accounting Policies (continued)

Property and equipment (continued)

Depreciation of property and equipment is calculated when these assets are ready for use for their intended use.

The full value of the depreciation expense for the year is shown from the item allocated for that purpose in the statement of profit or loss. When the recoverable amount of any property and equipment is less than its net book value, its value is reduced to the recoverable amount and the impairment value is recorded in the statement of profit or loss.

Property and equipment under construction for the Company's use are stated at cost and after deducting any impairment losses. The useful life of property and equipment is reviewed at the end of each year. If the useful life expectations differ from the previously prepared estimates, the change in estimate is recorded for subsequent years as a change in estimates.

Gains or losses resulting from the exclusion or write-off of any property and equipment, which represent the difference between the amount received from the sale and the book value of the asset, appear in the statement of profit or loss. Property and equipment are eliminated when they are disposed of or when no future benefits are expected from their use.

Intangible assets

- Intangible assets obtained through the merger are recorded at fair value on the date of acquisition.

Intangible assets that are acquired through a method other than a merger are recorded at cost.

- Other intangible assets are classified based on estimating their lifespan for a specific year or for specific periods. Intangible assets that have a specific lifespan are amortized during this life and are amortized in the statement of profit or loss.

- As for intangible assets whose useful life is indefinite, the decline in their value is reviewed at the date of the financial statements, and any decline in their value is recorded in the statement of profit or loss.

- Intangible assets generated internally in the Company are not capitalized and are recorded in the Consolidated Statement of Profit or Loss in the same current year.

- Any indications of impairment of the value of intangible assets at the date of the Consolidated financial statements are reviewed. The estimate of the chronological life of those assets is also reviewed and any adjustments are made for subsequent periods.

- Intangible assets include computer software with a specified useful life. The group estimates the useful life for each item, where these assets are depreciated using the straight-line method at a rate of 20% annually.

Cash and its equivalent

Cash and cash equivalents represent cash on hand, balances with banks, deposits with banks, and maturities exceeding three months after deducting bank accounts payable and restricted balances.

Offsetting

Offsetting is carried out between financial assets and financial liabilities, and the net amount is shown in the Consolidated Statement of Financial Position only when binding legal rights are available, as well as when they are settled on the basis of offsetting, or the assets are accrued and the liabilities are settled at the same time.

Date of recognition of financial assets

Purchases and sales of financial assets are recognized on the trade date (the date the Company commits to buying or selling the financial assets).

5- Significate Accounting Policies (continued)

Intangible assets(continued)

Fair value

The closing prices (buying assets/selling liabilities) on the date of the Consolidated financial statements in active markets represent the fair value of financial instruments that have market prices.

In the event that announced prices are not available, there is no active trading in some financial instruments, or there is no market activity, their fair value is estimated in several ways, including:

- Comparing it with the current market value of a financial instrument that is very similar to it.
- Analyze future cash flows and discount the expected cash flows by a rate used in a similar financial instrument.
- Options pricing approaches.

Valuation methods aim to obtain a fair value that reflects market expectations. Market factors and any expected risks or benefits are taken into account when estimating the value of financial instruments. In the event that there are financial instruments whose fair value cannot be measured reliably, they are shown at cost after deducting any decline in their value.

Financial liabilities

The Group classifies financial liabilities based on the purpose for which this liability arises. The accounting policy for financial liabilities is as follows:

1- Creditors and liabilities of reinsurance contracts

Accounts payable and reinsurance payables are initially recognized at fair value and subsequently stated at amortized cost using the effective interest rate method.

2- Credit banks

They are initially recognized at fair value, net of costs associated with obtaining the facilities. Such interest-bearing liabilities are subsequently carried at amortized cost using the effective interest rate method. The financing cost includes the initial costs and the premium paid upon settlement, in addition to the interest that accrues during the life of the obligation.

3- Insurance Contract Liabilities

Insurance contract liabilities are recognized when the group has obligations as of the financial statement date arising from prior events related to insurance contracts, and the settlement of these obligations is probable and can be measured reliably. Amounts recognized as insurance contract liabilities represent the best estimate of the amounts required to settle the obligations as of the financial statement date, taking into account the risks and uncertainties associated with insurance contract liabilities. When the liabilities are determined based on estimated cash flows to settle the current obligation, their carrying amount represents the present value of these cash flows.

When it is expected that some or all of the economic benefits required from other parties to settle the obligations will be recovered, a receivable is recognized as an asset if the receipt of compensation is virtually certain and its value can be reliably measured.

4- End of service benefits provision:

The provision for employees' end-of-service benefits calculated in accordance with the Company's policy, which is consistent with the Jordanian Labor Law.

The annual benefits incurred for employees who leave the service is recorded at the expense of the end-of-service benefits provision when paid, and the provision for the obligations incurred by the Company for the end-of-service benefits for employees is taken in the statement of profit or loss

5- Significate Accounting Policies (continued)

Foreign currency

- Transactions that occur in foreign currencies during the current year are recorded at the exchange rates prevailing on the date of the transactions.
- The balances of financial assets and financial liabilities are Transfer at the average foreign currency Rates prevailing on the date of the Consolidated Statement of Financial Position and announced by the Central Bank of Jordan.
- Non-financial assets and non-financial liabilities denominated in foreign currencies and shown at fair Value are Transferred on the date their fair value is determined.
- Gains and losses resulting from foreign currency Transferred are recorded in the statement of profit or Loss
- Transfer differences for items of assets and liabilities denominated in non-monetary foreign currencies are recorded as part of the change in fair value.
- When consolidating the financial statements, the assets and liabilities of branches and subsidiaries abroad are translated from the average currency rates on the date of the financial statements, the main (base) currency, to the reporting currency according to that announced by the Central Bank of Jordan. As for the revenue and expense items, they are translated on the basis of the average price during the year, and the resulting currency differences appear in a separate item within equity. In the event that one of these companies or branches is sold, the amount of foreign currency translation differences related to it will be recorded within the revenues/expenses in the statement of profit or loss.

Treasury stocks

Treasury shares are stated at cost. These shares do not have any right to dividends distributed to shareholders, and do not have the right to participate. Or voting in the Company's general assembly meetings. The profits or losses resulting from the sale of treasury shares are not recognized in the profit or loss statement. Rather, the profit is shown in equity under the share issue premium item, while the loss is recorded in retained earnings in the event that the stock issue premium balance is exhausted.

Costs of issuing or purchasing insurance Company shares

Any costs resulting from the issuance or purchase of insurance Company shares are recorded in retained earnings (net after the tax impact of these costs). If the issuance or purchase process does not take place, these costs are recorded as expenses in the statement of profits or losses.

Realize revenue

1- Dividend and interest income

Dividend income from investments is verified when the right of shareholders to receive dividend payments is established upon approval by the General Assembly of Shareholders. Interest income is calculated according to the accrual basis based on the time periods due, the original amounts and the interest rate earned.

2- Rental income

Rental income from real estate investments under operating lease contracts is recognized on a straight-line basis over the term of those contracts and on an accrual basis.

Insurance contract expenses

The Group distributes general administrative expenses and direct employee expenses to the insurance portfolios related to insurance contracts over groups of insurance contracts and includes them in calculating the profitability of the contract by distributing the direct expenses to each portfolio Separately and adding the value of the undistributed expenses in proportion to the total portfolio production divided by the Company's total production. While administrative and general expenses and indirect employee expenses not related to insurance contracts are charged to the statement of profit or loss.

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5- Significate Accounting Policies (continued)

Acquisition costs

Acquisition costs incurred by the group for selling, subscribing, or initiating new insurance contracts are recognized immediately upon recognition of the insurance contract in the profit or loss statement. The group recognizes acquisition costs by extinguishing the costs incurred over the coverage period of the insurance contract in the financial position statement when applying the premium allocation approach. The company may choose to recognize any cash outflows for acquiring insurance as expenses when those costs are incurred, provided that the coverage period for each contract in the group does not exceed one year upon initial recognition. The Group has chosen the mentioned exception only for commission expenses.

Insurance Contract Expenses:

The group distributes general administrative expenses and direct employee expenses to insurance portfolios related to insurance contracts, entering them into the calculation of contract profitability by distributing direct expenses for each portfolio separately. The value of undistributed expenses is then added as a percentage of the total portfolio production divided by the total group production. Meanwhile, administrative and general expenses and indirect employee expenses not related to insurance contracts are charged to the profit and loss statement.

6- Deposits at Banks

	2025				2024
	Deposits due within a month	Deposits due from 1 to 3 months	Deposits due from 3 months to 1 year	Total	Total
Inside Jordan					
Al- Ahli bank	3,930,636	-	2,060,000	5,990,636	5,623,306
Investment Bank	1,250,000	-	2,000,000	3,250,000	4,500,000
Capital Bank of Jordan	3,182,183	-	-	3,182,183	2,077,601
(Less): Expected credit loss provision	-	-	-	-	-
	<u>8,362,819</u>	<u>-</u>	<u>4,060,000</u>	<u>12,422,819</u>	<u>12,200,907</u>

Interest rates on bank deposit balances denominated in Jordanian Dinar ranged from 2% to 6.25% during the year ended 31 December 2025 (31 December 2024: 2% to 6.25%).

Restricted balances representing deposits pledged in favor of the Governor of the Central Bank of Jordan, in addition to his official capacity, amounted to Jordanian Dinar 800,000 held with Arab Bank as at 31 December 2025 (31 December 2024: Jordanian Dinar 8,000,000).

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7- Financial Assets at Fair Value through Other Comprehensive Income

	<u>2025</u>	<u>2024</u>
<u>Inside Jordan</u>		
Shares listed		
The National Portfolio for Securities	168,980	88,040
The Real Estate Investment Portfolio	211,900	101,060
Jordan Telecommunications	93,600	85,800
Arab Bank	824,507	564,165
Daman for Investment	190,000	77,000
Cairo Amman Bank	421,749	408,625
Jordan Phosphate Mines	1,780,304	721,500
Afaq for Energy	11,500	23,550
Bank of Jordan	159,600	131,400
Jordan Al -Ahli Bank	191,520	153,000
Jordan Capital Bank	1,004,800	624,000
Safwa Islamic Bank	222,000	111,600
Housing Bank	332,250	250,500
Arab Potash	191,092	134,330
Total	<u>5,803,802</u>	<u>3,474,570</u>
Shares un-listed		
Invest Money	<u>1</u>	<u>1</u>
Total	<u>1</u>	<u>1</u>
<u>Outside Jordan</u>		
Shares listed		
Palestine Telecommunications	915,250	694,750
Arkan For Real Estate	277,025	162,750
Asafa Bank	10,411	10,411
Total	<u>1,202,686</u>	<u>867,911</u>
Shares un-listed	<u>32,764</u>	<u>32,764</u>
Sub-total	<u>32,764</u>	<u>32,764</u>
Total	<u>7,039,253</u>	<u>4,375,246</u>

- Financial assets at fair value through other comprehensive income (unlisted) outside Jordan at cost are as follows:

	<u>2025</u>	<u>2024</u>
<u>Outside Jordan</u>		
Arab reinsurance Company/Lebanon	32,331	32,331
Arab Insurance Institute /Syria	433	433
Total	<u>32,764</u>	<u>32,764</u>

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	2025	2024
* External treasury bonds – USD 1.4 million – 26	994,522	1,001,583
* External treasury bonds – USD 1.0 million – 47	718,890	719,319
* External treasury bonds – USD 0.9 million – 26	639,000	639,833
* External treasury bonds – USD 1.5 million – 26	1,065,000	1,065,232
* External treasury bonds – USD 1.0 million – 28	699,519	694,517
* External treasury bonds – USD 1.0 million – 28	684,346	672,945
* External treasury bonds – USD 0.4 million – 29	282,846	282,491
* External treasury bonds – USD 0.5 million – 29	348,806	346,899
* External treasury bonds – USD 0.7 million – 29	503,333	505,281
* External treasury bonds – USD 0.5 million – 29	358,802	359,972
* External treasury bonds – USD 1.5 million – 29	1,039,474	-
* External treasury bonds – USD 0.75 million – 30	500,098	-
* External treasury bonds – USD 1.5 million – 47	1,037,120	-
* External treasury bonds – USD 2.4 million – 47	1,668,955	-
* External treasury bonds – USD 1.5 million – 30	1,087,096	-
* External treasury bonds – USD 0.5 million – 32	351,915	-
* Jordan Commercial Bank loan bonds – 24 bonds	-	1,704,000
* Capital Bank external bonds	354,500	354,500
Less: Provision for Credit Losses	(17,500)	(17,500)
Total	12,316,722	8,329,072

8- Financial Assets at Amortized Cost

1. External treasury bonds – USD – maturing 29 January 2026, carrying an annual interest rate of 6.125%, with interest paid semi-annually on 29 January and 29 July until maturity.
2. External treasury bonds – USD – maturing 10 October 2047, carrying an annual interest rate of 7.375%, with interest paid semi-annually on 10 April and 10 October until maturity.
3. External treasury bonds – USD – maturing 29 January 2026, carrying an annual interest rate of 6.125%, with interest paid semi-annually on 29 January and 29 July until maturity.
4. External treasury bonds – USD – maturing 29 January 2026, carrying an annual interest rate of 6.125%, with interest paid semi-annually on 29 January and 29 July until maturity.
5. External treasury bonds – USD – maturing 15 January 2028, carrying an annual interest rate of 7.75%, with interest paid semi-annually on 15 January and 15 July until maturity.
6. External treasury bonds – USD – maturing 15 January 2028, carrying an annual interest rate of 7.75%, with interest paid semi-annually on 15 January and 15 July until maturity.
7. External treasury bonds – USD – maturing 13 January 2029, carrying an annual interest rate of 7.5%, with interest paid semi-annually on 13 January and 13 July until maturity.
8. External treasury bonds – USD – maturing 13 January 2029, carrying an annual interest rate of 7.5%, with interest paid semi-annually on 13 January and 13 July until maturity.
9. External treasury bonds – USD – maturing 13 January 2029, carrying an annual interest rate of 7.5%, with interest paid semi-annually on 13 January and 13 July until maturity.
10. External treasury bonds – USD – maturing 13 January 2029, carrying an annual interest rate of 7.5%, with interest paid semi-annually on 13 January and 13 July until maturity.
11. External treasury bonds – USD – maturing 13 January 2029, carrying an annual interest rate of 7.5%, with interest paid semi-annually on 13 January and 13 July until maturity.
12. External treasury bonds – USD – maturing 7 July 2030, carrying an annual interest rate of 5.85%, with interest paid semi-annually on 7 January and 7 July until maturity.
13. External treasury bonds – USD – maturing 10 October 2047, carrying an annual interest rate of 7.375%, with interest paid semi-annually on 10 April and 10 October until maturity.

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8- Financial Assets at Amortized Cost (continued)

14. External treasury bonds – USD – maturing 10 October 2047, carrying an annual interest rate of 7.375%, with interest paid semi-annually on 10 April and 10 October until maturity.
15. External treasury bonds – USD – maturing 7 July 2030, carrying an annual interest rate of 5.85%, with interest paid semi-annually on 7 January and 7 July until maturity.
16. External treasury bonds – USD – maturing 12 November 2032, carrying an annual interest rate of 5.75%, with interest paid semi-annually on 12 May and 12 November until maturity.
17. Jordan Commercial Bank loan bonds – maturing 7 October 2025.
18. Jordan Commercial Bank loan bonds – maturing 24 February 2027, carrying an annual interest rate of 7%, with interest paid semi-annually on 24 February and 24 August until maturity.

	2025	2024
Balance at the beginning of the year	<u>17,500</u>	17,500
Increase during the year	-	-
Decrease during the year	-	-
Balance at the end of the year	<u>17,500</u>	<u>17,500</u>

9- Investment Properties

	2025	2024
Buildings	<u>440,174</u>	440,174
Less: accumulated depreciation	<u>169,253</u>	151,646
Book value, net	<u>270,921</u>	288,528
Land	<u>107,012</u>	107,012
	<u>377,933</u>	<u>395,540</u>

* Investment properties are depreciated at a rate of 4% per annum and are presented at their net book value.

* The fair value of investment properties was estimated by professional real estate appraisers at JOD 1,100,308 as at 31 December 2025 (31 December 2024: JOD 1,100,308) in accordance with the applicable legislation.

10- Cash on Hand and at Banks

	2025	2024
Cash in hand	<u>2,661</u>	45,653
Cash at banks	<u>1,120,635</u>	163,076
	<u>1,123,296</u>	<u>208,729</u>

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11- (Liabilities)/ Assets Insurance Contracts (Premium Allocation Approach)

	Liabilities for remaining coverage				Liabilities for Incurred Claims					
	2025	2025	2024	2024	2025	2024	2025	2024	2025	2024
	Excluding the loss component	Loss component	Excluding the loss component	Loss component	Present value of cashflow	Present value of cashflow	Risk adjustments	Risk adjustments-	Total	Total
Insurance contracts liabilities-beginning of the period	(3,698,661)	(961,824)	(5,374,889)	(788,573)	(14,634,881)	(10,866,938)	(1,120,153)	(719,888)	(20,415,501)	(17,750,288)
Insurance contracts assets-beginning of the period	48,033		1,849,681	(34,090)	(25,114)	(1,308,718)	(5,668)	(18,917)	17,251	487,956
Net insurance contracts (liabilities)/Assets – beginning of the period	(3,650,628)	(961,824)	(3,525,208)	(822,663)	(14,659,995)	(12,175,656)	(1,125,803)	(738,805)	(20,398,250)	(17,262,332)
Insurance contracts revenues	31,012,106	-	28,209,433	-	-	-	-	-	31,021,106	28,209,433
Insurance contracts expenses										
Compensations Incurred	-	-	-	-	21,729,033	21,985,719	(198,595)	386,998	21,530,438	22,372,717
Amortization of acquisition costs	2,469,016	-	2,053,550	-	-	-	-	-	2,469,016	2,053,550
Employees cost	-	-	-	-	1,690,537	411,849	-	-	1,690,537	411,849
Administrative cost	-	-	-	-	675,312	1,554,238	-	-	675,312	1,554,238
Other expenses	-	-	-	-	39,927	57,716	-	-	39,927	57,716
Losses resulting from contracts expected to be lost and the recovery of these losses	-	(394,367)	-	139,161	-	-	-	-	(394,367)	139,161
Insurance contracts expenses	2,469,016	(394,367)	2,053,550	139,161	24,134,809	24,009,522	(198,595)	386,998	26,010,863	26,589,231
Insurance Operation results	28,552,090	394,367	26,155,883	(139,161)	(24,134,809)	(24,009,522)	198,595	(386,998)	5,010,243	1,620,202
Finance expenses - from insurance contracts	-	-	-	-	(945,411)	(379,355)	-	-	(945,411)	(379,355)
Impact of market movements on exchange rates	-	-	-	-	-	-	-	-	-	-
Net change - other comprehensive income	28,552,090	394,367	26,155,883	(139,161)	(25,080,220)	(24,388,877)	198,595	(386,998)	4,064,832	1,240,847
Cash received from written contracts	31,299,064	-	28,283,244	-	-	-	-	-	31,299,064	28,283,244
Compensations Incurred	-	-	-	-	(21,916,796)	(21,904,539)	-	-	(21,916,796)	(21,904,539)
Paid from acquisition costs	(2,443,872)	-	(2,001,942)	-	-	-	-	-	(2,443,872)	(2,001,942)
Total cash flows	28,855,192	-	26,281,302	-	(21,916,796)	(21,904,539)	-	-	6,938,396	4,376,763
Insurance contracts liabilities-End of period	(3,953,729)	(567,457)	(3,698,661)	(961,824)	(17,823,419)	(14,634,881)	(927,208)	(1,120,135)	(23,271,813)	(20,415,501)
Insurance contracts assets- End of period	-	48,033	-	-	-	(25,114)	-	(5,668)	-	17,251
Net insurance contracts (liabilities)/Assets - End of period	(3,953,729)	(567,457)	(3,650,628)	(961,824)	(17,823,419)	(14,659,995)	(927,208)	(1,125,803)	(23,271,813)	(20,398,250)

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11- (Liabilities) / Assets Insurance Contracts (Premium Allocation Approach) (Continued)
11- 1 Receivables Related to Insurance Operations

	2025	2024
Receivables from insurance contract holders	6,137,252	6,774,443
Agent receivables	290,306	608,580
Brokers receivables	829,169	879,595
Employee receivables	105,207	67,786
Other receivables*	35,643	88,823
Less: allowance for credit losses provision	(1,452,315)	(1,552,315)
Net value of receivables Related to Insurance Operations	5,945,262	6,866,912

Analysis of accounts receivable by time period

	2025	2024
Payable during 0-30 days	3,975,859	4,936,963
Payable during 31-90 days	1,010,740	725,248
Payable during 91-180 days	432,608	499,989
Payable during 181-365 days	547,018	730,989
Due for more than one year	1,431,352	1,526,038
Total	7,397,577	8,419,227

11-2 Cheques under collection

	2025	2024
The total value of Cheques under collection related to insurance operations	1,703,238	1,482,333
Less: allowance for credit losses provision	(20,000)	(13,970)
Net value of Cheques under collection related to insurance operations	1,683,238	1,468,363

Analysis of cheques under collection according to their time period:

	2025	2024
Payable during 0-6 months	1,216,506	978,760
Payable during 6-12 months	436,732	489,603
Payable during for more than 12 months	30,000	-
Total	1,683,238	1,468,363

11-3 Account Payable

	2025	2024
Total value of accounts payable related to insurance operations	3,429,504	2,326,735
Total value of accounts payable related to insurance operations	3,429,504	2,326,735

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12- Assets/(Liabilities) Reinsurance Contracts Held (Premium Allocation Approach):

Reinsurance Contracts	Assets for remaining coverage (ARC)						Assets for Incurred Claims (AIC)			
	2025	2025	2024	2024	2025	2024	2025	2024	2025	2024
	Excluding loss recovery component	Loss recovery Component	Excluding loss recovery component	Loss recovery component	Present value of cash flow	Present value of cash flow	Risk adjustments-	Risk adjustments-non financial	Total	Total
Insurance contracts liabilities-beginning of the period	(475,543)	-	(179,496)	-	203,134	39,174	17,142	15,901	(255,267)	(124,421)
Insurance contracts assets-beginning of the period	(428,808)	20,000	(203,656)	34,090	5,848,413	3,665,153	621,632	231,868	6,061,237	3,727,455
Net reinsurance contracts liabilities/(Assets) - beginning of the period	(904,351)	20,000	(383,152)	34,090	6,051,547	3,704,327	638,774	247,769	5,805,970	3,603,034
Reinsurance expenses	7,781,353	-	7,901,844	-	-	-	-	-	7,781,353	7,901,844
Reinsurance revenue										
Reinsurance recoveries	-	22,831	-	(14,090)	4,566,986	5,909,065	(253,329)	391,006	4,336,488	6,285,980
Reinsurance contracts revenues	-	22,831	-	(14,090)	4,566,986	5,909,065	(253,329)	391,006	4,336,488	6,285,980
Reinsurance Operation results	7,781,353	(22,831)	7,901,844	14,090	(4,566,986)	(5,909,065)	253,329	(391,006)	3,444,865	1,615,864
Finance expenses - from reinsurance contracts	-	-	-	-	(150,486)	(168,946)	-	-	(150,486)	(168,946)
Other changes	-	-	-	-	-	-	-	-	-	-
Net change - other comprehensive income	7,781,353	(22,831)	7,901,844	14,090	(4,717,472)	(6,078,011)	253,329	(391,006)	3,294,379	1,446,918
Cash received from written contracts paid to reinsurers	8,213,012	-	7,522,264	-	-	-	-	-	8,213,015	7,522,264
Incurred claims recovered from reinsurers	-	-	-	-	(5,122,725)	(3,730,789)	-	-	(5,122,725)	(3,730,789)
Recovered profit commission from reinsurers	(686,505)	-	(491,418)	-	-	-	-	-	(686,505)	(491,418)
Other Expense	340,023	-	349,798	-	-	-	-	-	340,023	349,798
Total cash flows	7,866,530	-	7,380,644	-	(5,122,725)	(3,730,789)	-	-	2,743,805	3,649,855
Reinsurance contracts liabilities- end of the period	(202,663)	-	(475,543)	-	(10,958)	203,134	3,907	17,142	(209,714)	(255,267)
Reinsurance contracts assets- end of the period	(616,512)	42,831	(428,808)	20,000	5,657,252	5,848,413	381,538	621,632	5,465,109	6,061,237
Net reinsurance contracts liabilities- end of the period	(819,175)	42,831	(904,351)	20,000	5,646,294	6,051,547	385,445	638,774	5,255,395	5,805,970

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12-1 Account Receivables (reinsurance contracts Held)

	2025	2024
Reinsurance asset contract held (Local)	1,106,381	1,063,020
Reinsurance asset contract held (Foreign)	1,690,350	1,536,127
Total value of account receivables related to insurance operations	2,796,731	2,599,147
less: allowance for expected credit losses	(453,721)	(199,342)
Net value of Account Receivable related to insurance operations	2,343,010	2,399,805

Analysis of account receivable balances by time period:

	2025	2024
Payable during 0-30 days	1,440,309	1,205,534
Payable during 31-90 days	108,373	245,455
Payable during 91-180 days	693,373	694,826
Payable during 181-365 days	114,160	45,730
Overdue for more than a year.	440,516	407,602
Total	2,796,731	2,599,147

12-2 Accounts Payable (Reinsurance contracts held):

	2025	2024
Reinsurance contracts asset held (Local)	192,489	186,750
Reinsurance contracts asset held (foreign)	918,738	877,393
Total value of accounts payable related to insurance operation	1,111,227	1,064,143

13- Deferred tax assets

A- Provision for Income Tax:

The movement on the income tax provision during the year is as follows:

	2025	2024
Balance at beginning of the year	214,580	395,379
Income tax paid	(299,403)	(450,404)
Income tax expense for the year	708,898	328,241
Withholding tax on interest/ shares/national contribution	(51,516)	(58,636)
Balance at the end of the year	572,559	214,580

B- In terms of the income tax presented in the statement of profit or loss, it includes the following:

	2025	2024
Accrued income tax for profit of the year	708,898	328,241
Deferred tax assets	(1,137,973)	(852,077)
Deferred tax Assets/Liabilities amortization	851,210	717,198
Income tax deposits	(15,694)	(66,661)
Balance at the end of the year	406,441	126,701

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13- Deferred tax assets (Continued):

C - Summary of reconciliation of accounting profit with tax profit:

	2025	2024
Accounting profit	1,807,548	836,407
Non-taxable profits	(3,757,745)	(3,019,486)
Expenses that are not tax acceptable	4,750,376	3,534,813
Tax profit	2,800,179	1,351,734
income tax rate	26%	26%

*A final settlement for the group's income tax has been made until the end of 2021. According to the group's tax advisor and management, the provision for income tax accrued for the period ending on December 31, 2025, is deemed sufficient.

D- Deferred Tax Assets/Liabilities

	2025					2024
	Beginning Balance	Released Amounts	Additions	Ending Balance	Deferre d Tax	Deferred Tax
A- Deferred tax assets:						
Provision for unreported claims	3,260,851	3,260,851	4,371,944	4,371,944	1,136,705	847,821
Provision for end of service benefits	515	-	-	515	134	134
Provision for commission and profit-sharing schemes	24,277	13,033	4,875	16,199	4,191	6,312
Provision for contingent liabilities	29,000	-	-	29,000	7,540	7,540
	3,314,643	3,273,884	4,376,819	4,417,658	1,148,570	861,807

The movement on the deferred tax assets and liabilities account is as follows:

	Assets		Liabilities	
	2025	2024	2025	2024
Balance at the beginning of the year	861,807	726,928	-	-
Additions	1,137,973	852,077	-	-
Disposals	(851,210)	(717,198)	-	-
Balance at the end of the year	1,148,570	861,807	-	-

The tax rate used in calculating the deferred tax is 26%, and its realization in the future is estimated at 100% for items that result in deferred tax assets, as they are included in the income tax law and contribute to the taxable income when calculating the group's income tax.

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14- Property and Equipment

	<u>Land</u>	<u>Buildings</u>	<u>Equipment, Devices and Furniture</u>	<u>Decorations</u>	<u>Vehicles</u>	<u>Total</u>
<u>Cost:</u>						
Opening balance	170,000	533,961	393,475	53,335	80,264	1,231,035
Additions	-	-	7,398	-	-	7,398
Disposals	-	-	-	-	-	-
Closing balance as at 31 December 2025	<u>170,000</u>	<u>533,961</u>	<u>400,873</u>	<u>53,335</u>	<u>80,264</u>	<u>1,238,433</u>
<u>Less:</u>						
<u>Accumulated depreciation:</u>						
Opening balance	-	217,719	364,883	53,326	63,667	699,595
Depreciation for the period	-	10,679	9,915	-	1,950	22,544
Disposals	-	-	-	-	-	-
Closing balance as at 31 December 2025	<u>-</u>	<u>228,398</u>	<u>374,798</u>	<u>53,326</u>	<u>65,617</u>	<u>722,139</u>
Net book value:						
Balance as at 31 December 2025	<u>170,000</u>	<u>305,563</u>	<u>26,075</u>	<u>9</u>	<u>14,647</u>	<u>516,294</u>
<u>Cost:</u>						
Opening balance	170,000	533,961	388,651	53,335	67,264	1,213,211
Additions	-	-	4,824	-	13,000	17,824
Disposals	-	-	-	-	-	-
2024Closing balance as at 31 December	<u>170,000</u>	<u>533,961</u>	<u>393,475</u>	<u>53,335</u>	<u>80,264</u>	<u>1,231,035</u>
<u>Less:</u>						
<u>Accumulated depreciation:</u>						
Opening balance	-	207,010	354,572	53,326	62,851	677,759
Depreciation for the period	-	10,709	10,311	-	816	21,836
Disposals	-	-	-	-	-	-
2024Closing balance as at 31 December	<u>-</u>	<u>217,719</u>	<u>364,883</u>	<u>53,326</u>	<u>63,667</u>	<u>699,595</u>
Net book value:						
2024Balance as at 31 December	<u>170,000</u>	<u>316,242</u>	<u>28,592</u>	<u>9</u>	<u>16,597</u>	<u>531,440</u>

- There are no liens, encumbrances, or restrictions on the ownership of the properties and equipment, and the value of related liabilities includes the nature and value of any pledged assets as collateral, if any.
- There are no leased assets and equipment that end in ownership.
- There is no impairment of the value of the properties and equipment, and no additional depreciation for that.
- There are no financial obligations to acquire properties and equipment.
- There are no compensations from third parties.
- The total cost of the fully depreciated properties and equipment is 464,020 dinars.

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15- Intangible Assets

	2025	2024
Computer systems and software		
Balance at the beginning of the period	141,631	154,009
Additions	12,780	31,042
Amortization	(44,944)	(43,420)
Balance at the end of the year	109,467	141,631

16- Other Assets

A-Other assets

	2025	2024
Accrued and unreceived revenues	326,074	232,408
Prepaid expenses	32,068	37,932
Refundable deposits	2,931	2,931
Advance payments on account of income tax and national contribution.	30,378	-
Total	391,451	273,271

B-Account receivable not related to insurance activities.

	2025	2024
Other receivables	-	-
Total of other Assets	391,451	273,271

17- Other Provisions

	2025	2024
Provision for end of service benefits	515	515
Insurance management fees provision	22,570	30,344
Commission Provision for Group Life Insurance Policies	16,119	24,277
	39,204	55,136

The following table shows the movement in the other provisions:

	Beginning balance	Additions during the year	Used during the year	Ending balance
Provision for end of service benefits	515	-	-	515
Insurance management fees provision	30,344	121,519	(129,293)	22,570
Commission Provision for Group Life Insurance Policies	24,277	4,875	(13,033)	16,119
	55,136	126,394	(142,326)	39,204

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18- Other Liabilities

A-Other Liabilities

	2025	2024
Sales tax deposits	(5,144)	20,460
Stamp deposits - Ministry of Finance	7,275	6,345
Social security deposits	14,925	14,149
Income tax deposits	180,215	195,910
Provision for contingencies liabilities	29,000	29,000
Other	28,091	27,430
Total	254,362	293,294

B- Accounts Payable unrelated to insurance operations

	2025	2024
Employees' payables	750	990
Shareholders' payables	196,100	199,815
Other payables	37,464	56,542
Total	234,314	257,347
Total other liabilities	488,676	550,641

19- Authorized and paid-up share capital

The authorized and paid-up share capital as at the end of the year amounted to Jordanian Dinar 8,800,000, divided into 8,800,000 shares with a nominal value of one Jordanian Dinar per share, as at 31 December 2025 (2024: 8,000,000 shares).

20- Reserves

-Statutory Reserve

The statutory reserve is formed in accordance with the provisions of the Jordanian Companies Law by deducting 10% of the annual net profit. The deduction stops when the accumulated reserve balance reaches 25% of the Company's authorized capital.

The amounts accumulated in this account represent the transferred annual profit before taxes at a rate of 10% during the year and previous years in accordance with the Companies Law, and it is not distributable to shareholders.

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20- Reserves (Continued):

-Voluntary reserve

The amounts accumulated in this item represent what has been transferred from the annual profits before income tax, up to a maximum of 20%. These funds are distributable to shareholders. The optional reserve is used for purposes determined by the board of directors, and the general assembly has the right to distribute it in full or in part as dividends to the shareholders.

21-Fair value reserve

This amount represents the increase in the fair value of financial assets at fair value through other comprehensive income, as follows:

	2025	2024
Balance at the beginning of the year	(186,630)	(113,659)
Change during the year	2,613,534	(72,971)
Balance at the end of the year	2,426,904	(186,630)

22-Retained Earnings

	2025	2024
Balance at the beginning of the year	1,234,883	543,490
Profit For the year	1,712,289	864,929
Transferred to statutory reserves	(211,664)	(99,163)
Dividends	(186,446)	-
(Losses) Gains on sale of assets at fair value	102,351	(74,373)
Balance at the end of the year	2,651,413	1,234,883

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23- Insurance Contracts Revenue

	Vehicles		General liability		Marine		Life		Engineering		Property and equipment		Fire		Medical insurance		Total	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
Changes in insurance contract liabilities – against remaining	18,419,062	15,957,578	287,036	304,220	939,563	1,112,840	232,838	428,106	390,997	198,763	-	-	1,960,431	2,432,921	7,465,914	6,646,125	29,695,842	27,080,553
Expected incurred claims	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Expected incurred expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Changes in non-financial risk adjustments - Contractual service margin	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Cash flows received for acquisitions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Insurance contract issuance fees	841,576	792,037	10,356	6,902	24,689	19,720	1,974	2,559	1,422	4,017	-	-	34,534	35,407	185,457	184,946	1,100,008	1,045,588
Allocation of a portion of premiums related to cash flows for acquiring insurance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other revenues	191,129	83,292	-	-	-	-	-	-	-	-	-	-	-	-	34,127	-	225,256	83,292
Total insurance contract revenues	19,451,767	16,832,907	297,392	311,122	964,252	1,132,560	234,812	430,665	392,419	202,780	-	-	1,994,965	2,468,328	7,685,498	6,831,071	31,021,106	28,209,433

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24-Insurance Contracts Expenses

	Vehicles		General liability		Marine		Life		Engineering		Property and equipment		Fire		Medical insurance		Total	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
Incurred insurance claims	14,834,664	13,760,731	42,379	(177,503)	151,858	734,239	77,643	604,437	266,294	291,238	-	-	(70,183)	1,411,268	6,426,378	5,361,309	21,729,033	21,985,719
Acquisition cost amortization	1,510,657	1,268,911	90,443	40,127	84,581	94,390	33,171	35,574	45,447	19,291	-	-	258,674	271,560	446,044	323,698	2,469,016	2,053,551
Administrative expenses	839,677	769,198	3,169	817	21,409	21,395	29,368	41,517	4,335	2,961	-	-	28,199	22,126	764,380	696,224	1,690,537	1,554,238
Employee expenses	508,711	314,215	2,394	333	15,507	9,151	20,763	14,164	3,149	1,120	-	-	20,209	7,877	104,579	64,989	675,312	411,849
Other expenses	54,185	4,096	1,234	(861)	3,173	20,003	(1,285)	2,311	7,683	321	-	-	(29,065)	34,907	4,002	(3,062)	39,927	57,715
Expected loss on Contracts	-	140,035	-	-	-	-	-	16,366	-	-	-	-	-	-	25,981	(17,240)	25,981	139,161
Recovery from expected loss on contracts	(403,982)	-	-	-	-	-	(16,366)	-	-	-	-	-	-	-	-	-	(420,348)	-
Non-financial risk adjustments	81,029	(17,546)	220	(33,715)	94	156,108	208	5,588	39,246	2,841	-	-	-	279,356	5,449	(5,634)	126,246	386,998
Non-financial adjustments recovered from risk modifications	-	-	(5,895)	-	(35,102)	-	(4,434)	-	(1,259)	-	-	-	(278,151)	-	-	-	(324,841)	-
Total insurance contract expenses	17,424,941	16,239,640	133,944	(170,802)	241,520	1,035,286	139,068	719,957	364,895	317,772	-	-	(70,317)	2,027,094	7,776,812	6,420,284	26,010,863	26,589,231

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25- Reinsurance contracts revenues

	Vehicles		General liability		Marine		Life		Engineering		Property and equipment		Fire		Medical insurance		Total	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
□ Change In Insurance Contract Liabilities- Against Remaining																		
Expected incurred claims	289,152	(121,860)	(29,595)	(181,983)	88,105	678,791	49,378	481,804	261,016	249,873	-	(155,202)	1,402,539	4,064,132	3,399,901	4,566,986	5,909,065	
Reinsurer's share of risk adjustments	21,307	12,585	558	(33,931)	59	140,594	8	1,853	39,244	2,808	-		270,505	3,174	(3,408)	64,350	391,006	
Change in non-financial risk adjustments - Contractual service margin due	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loss on Onerous Contracts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	25,980	-	25,980	-
Recovery of cash flows for acquisition		-		-		-	(3,149)	3,148		-		-		-		(17,239)	(3,149)	(14,091)
Adjustment to the Reinsurer's Share of Changes in the Contractual Service Margin	(3,688)		(7,416)		(31,212)		(2,290)		(3,124)			(269,949)				(317,679)		
Insurance contract issuance fees	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Allocation of part of the premiums related to recovery of cash flows for insurance acquisition	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other revenues	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total insurance contract revenues	306,771	(109,275)	(36,453)	(215,914)	56,952	819,385	43,947	486,805	297,136	252,681	-	(425,151)	1,673,044	4,093,286	3,379,254	4,336,488	6,285,980	

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26 – Reinsurance Contract Expenses

	Vehicles		General liability		Marine		Life		Engineering		Property and equipment		Fire		Medical insurance		Total	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
Insurance Claims Incurred	1,077,104	1,004,950	197,902	190,107	704,255	864,304	131,900	239,766	387,853	172,851	-	-	1,740,285	2,276,268	3,881,601	3,454,140	8,120,901	8,202,386
Amortization of Acquisition Costs	(65,150)	(72,376)	(34,899)	(27,737)	(237,367)	(251,369)	(170)	(9,899)	(34,236)	(33,742)	-	-	(193,808)	(227,197)	(113,941)	(38,020)	(679,571)	(650,340)
Excess of Loss Premiums	180,123	201,298	-	-	32,500	30,000	-	-	-	-	-	-	127,400	118,500	-	-	340,023	349,798
Employee Expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Administrative Expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Excess of Loss Expense	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Recovery of Loss on Onerous Contracts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total insurance contract Expenses	1,192,077	1,133,872	163,003	162,370	499,388	642,935	131,730	229,867	353,617	139,109	-	-	1,673,877	2,167,571	3,767,660	3,416,120	7,781,353	7,901,844

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27- Financing Revenues– Insurance Contracts

	2025	2024
Financing revenues	(945,411)	(379,355)
	(945,411)	(379,355)

The Group applied discount rates ranging between 5.69% and 6.18% as at 31 December 2025 (31 December 2024: 5.15% to 6.73%).

The discount rate is determined at the entity level rather than at the portfolio level. The current risk-free U.S. Dollar yield curve issued by the European Insurance and Occupational Pensions Authority (EIOPA) was used, given that the Jordanian Dinar is currently pegged to the U.S. Dollar. An additional margin of 1.5% was added to the discount rates, representing the average increase in yield on Jordanian government bonds compared to U.S. government bonds.

28-Reinsurance Contracts-Expenses

The Group applied discount rates ranging between 5.69% and 6.18% as at 31 December 2025 (31 December 2024: 5.15% to 6.73%).

The discount rate is determined at the entity level rather than at the portfolio level. The current U.S. Dollar risk-free yield curve issued by the European Insurance and Occupational Pensions Authority (EIOPA) was used, given that the Jordanian Dinar is currently pegged to the U.S. Dollar. An additional margin of 1.5% was added to the discount rates, representing the average spread of Jordanian government bond yields over U.S. government bond yields.

	2025	2024
Financing expenses	150,486	168,946
	150,486	168,946

29- Credit Interest

	2025	2024
Bank Interest	566,135	657,600
Interest on investments in financial assets at amortized cost	723,576	540,840
	1,289,711	1,198,440

30- Net Profit of Financial Assets and Investments

	2025	2024
Dividend Return	317,562	276,661
	317,562	276,661

31- Other Income

	2025	2024
Legal interest – court cases	58,717	363
Rental income from investment properties	5,500	5,800
	64,217	6,163

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32-Employee Expenses

	2025	2024
Salaries and Bonuses	1,051,694	1,013,261
Company's Share of Social Security	117,913	112,837
Employee Insurance Expenses	59,990	54,593
Training and Development Expenses	2,869	300
Total	1,232,466	1,180,991

33-General and Administrative Expenses

This item consists of the following:

	2025	2024
Rent	7,050	7,050
Stationery and Printings	23,652	34,314
Advertising and Promotion	42,530	41,192
Bank Fees	54,835	54,100
Water, Electricity, and Heating	25,528	25,025
Maintenance	62,904	58,299
Mail and Communications	12,379	12,870
Hospitality	18,768	20,368
Legal Fees and Expenses	269,098	178,627
Subscriptions	57,988	35,904
Tender Expenses	15,716	15,009
Insurance Management Fees	256,541	115,354
Government Fees and Other Fees	47,858	23,443
Donations	5,000	500
Travel and Transportation	45,475	61,648
Professional Fees	139,376	149,303
Board Members' Transportation Allowance	81,000	81,000
Non-refundable Sales Tax	34,676	35,200
Cleaning	18,806	17,723
Security	13,803	12,459
Collection Commissions	45,723	23,412
Insurance for Company Assets	5,593	1,304
Other Expenses	38,142	26,849
Bad debts.	40,548	-
Sub-total	1,362,989	1,030,953
Total	2,595,455	2,211,944

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34- Unallocated General and Administrative Expenses

2025					2024				
	Attributable expenses	Attributable expenses	Non- attributed			Attributable expenses	Attributable expenses	Non- attributed	
Acquisition expenses	For contracts (direct)	For contracts (indirect)	expense to contracts	Total	Acquisition expenses	For contracts (direct)	For contracts (indirect)	expense to contracts	Total
-	-	-	323,213	323,213	-	-	-	271,134	271,134
-	-	-	323,213	323,213	-	-	-	271,134	271,134

35- Earnings per Share

	2025	2024
profit for the year	1,712,289	864,929
Weighted Average for Share numbers	8,000,000	8,000,000
Earnings per share from the year profit	0.195	0.108
Basic	0.195	0.108
Diluted	0.195	0.108

36- Cash and Cash equivalent

	2025	2024
Bank deposits due within three months	8,362,819	7,690,317
Cash in hand and at banks	1,123,296	208,729
Pledged deposits for the order of the competent authorities due within three months	-	-
Restricted deposits	-	-
Total	9,486,115	7,899,046

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37- Related Parties Transactions

The Group entered into transactions with members of the Board of Directors and senior management within the normal activities of the Company and using insurance premiums and commercial commissions. All receivables from related parties are considered working and no allocations have been taken for them as of December 31, 2025. The following is a summary of transactions with related parties during the year:

		2025		2024
	Major shareholders	Members of the Board of Directors	Total	Total
<u>Items of financial position statement</u>				
Insurance contract assets	-	1,300,931	1,300,931	826,675
Insurance contract liabilities	-	483,137	483,137	173,447
<u>Items of profit or loss statement</u>				
Insurance revenues	-	3,495,808	3,495,808	2,452,303
Travel and transportation expenses for members of the Board of Directors	-	81,000	81,000	81,000
Rewards and consultations	-	41,130	41,130	33,750

The following is a summary of the benefits (salaries, bonuses, and other benefits) of the Company's senior executive management:

	2025	2024
Salaries and rewards	420,548	420,865
	420,548	420,865

38 - The Fair Value of Financial Assets and Liabilities that are not Stated at Fair Value

There are no significant differences between the book value and the fair value of assets and liabilities as of the end of 2025 and 2024.

39- Contracts expected to Be lost.

The group subscribes to contracts expected to incur losses due to regulations and instructions issued by governmental authorities regarding mandatory insurance contracts for vehicles. Meanwhile, the group subscribes to contracts expected to Be Lost in other branches due to owning profitable insurance portfolios for other branches and for the same clients.

40- Risk Management

First: Descriptive disclosures

Risk management is the process of measuring and evaluating risks and developing strategies to manage them. These strategies include transferring risks to another party, avoiding them, and reducing their negative effects on the group, in addition to accepting some or all of their consequences. Risk management is divided into four sections:

First: Physical risks, which include examples such as) natural disasters, fires, accidents, and other external risks unrelated to the group's activities) .

Second: Legal risks, which are risks arising from lawsuits or any risks resulting from laws and regulations issued by the insurance authority and non-compliance with them.

Third: Financially-driven risks, with examples including) interest rates, credit risks, foreign exchange rate risks, and market risks) .

Fourth: Intangible risks, which are difficult to identify. An example of this is knowledge risks among employees, which occur when applying incomplete knowledge. Also, relationship risks occur in the case of ineffective collaboration with clients. All these risks directly reduce employee productivity in knowledge and decrease the effectiveness of spending, profit, service, quality, reputation, and the quality of gains.

The risk management approach followed by the group depends on prioritizing risks, such that risks with significant losses and a high probability of occurrence are addressed first, while risks with lesser losses and a lower probability of occurrence are dealt with later.

Risk Management Policy

First: Planning and Preparation

A work scope plan and the foundations for adopting and assessing risks within the group have been established.

Second: Identifying Risks

The risks of any insurance contract are represented in the possibility of the insured event occurring. Therefore, it is essential to identify these incidents from their source. Once the event or its source is identified, the incidents that arise from this source may lead to new risks that can be addressed before they occur. There are several methods for identifying risks, including identification based on objectives. Each department within the group has specific goals it aims to achieve, and any event that limits the achievement of these goals is considered a risk. Based on this, the risk is studied and monitored. Additionally, there is a method of risk identification based on classification, which involves a comprehensive categorization of all potential sources of risks. Another method of identifying risks is looking at common risks, especially for similar companies.

Third: How to Deal with Risks

The group deals with potential risks in the following ways:

- Transfer: This is the process of shifting the risk to another party through contracts or financial safeguards.
- Avoidance: This is an effective process to prevent risks by avoiding actions that could lead to risk occurrence. Avoidance is the best prevention against risk, but this approach may prevent the group from engaging in some activities that could be profitable.
- Mitigation: This involves reducing the losses that can result from the occurrence of a risk.
- Acceptance: There must be a policy for accepting unavoidable risks. Accepting minor risks can be an effective strategy.

40- Risk Management (Continued)

Risk Management Policy (Continued)

Fourth: The Plan

A clear and easily implementable plan has been developed for dealing with risks through a pricing policy based on historical statistics to prevent losses in any branch of insurance, ensuring that the premium covers the cumulative potential risks.

Fifth: Implementation

The technical departments within the group execute the plan, mitigating the effects of risks and avoiding all avoidable risks.

Sixth: Plan Review and Evaluation

The risk department keeps pace with the group's development, continuously working on developing and updating the existing plan.

Arrangements for Risk Management

Determinants:

Priority is given to the risk department, affecting the productivity and profitability of the group. Therefore, the risk department's task is to distinguish between actual risk and uncertainty, prioritizing risks with significant losses and a high probability of occurrence for avoidance.

Responsibilities of Risk Management:

- Continuously updating the risk database.
- Predicting any potential risks.
- Collaborating with the executive management to address risks and reduce risk exposure.
- Continuously preparing plans and reports on risks to avoid potential risks or reduce their likelihood.

Risk Management Strategy

- Setting Group Objectives.
- Clarifying Strategies for Group Objectives.
- Identifying Risk
- Risk Assessment
- Developing Methods to Address and Avoid Risk

Second: Quantitative Disclosures:

1- Insurance Risks:

The risks associated with any insurance contract lie in the possibility of the insured event occurring and the uncertainty regarding the amount of the claim related to that event. Due to the fluctuating and unforeseeable nature of insurance contracts, the group faces risks where claims incurred and related payouts may exceed the book value of insurance liabilities. This may occur if the probability and severity of claims are greater than expected, as insurance events are not constant and vary from year to year, leading to estimations differing from related statistics.

Studies have shown that the more similar insurance contracts are, the closer the expectations are to the actual loss ratio. Furthermore, diversification in the risks covered by insurance leads to a reduction in the overall probabilities of insurance loss.

40- Risk Management (Continued)

1- Insurance Risks (Continued)

Monitoring risk status in both internal and external environments is the key driver for selecting the appropriate strategy to manage risks. While the company may need to accept some level of risk even when it's at critical/high levels due to external, regulatory, and legal constraints, enhancing risk monitoring will enable the company to adjust and improve controls once they become available.

Risk management strategies in products primarily depend on two key elements: uncertainty and risk exposure/volume. According to the following:

1-Risk Acceptance: In cases of reduced uncertainty/low exposure when marketing the product.

2-Control Implementation: For risks with reduced exposure/high exposure, the company implemented relevant controls by establishing appropriate measures to limit risks.

3-Risk Transfer: For risks with reduced exposure/high uncertainty, the company transferred these risks to a third party through reinsurance arrangements, ensuring the management of risks from external parties involved in risk-bearing.

4-Emergency Plans: Suitable emergency plans were adopted to manage high exposure risks/high uncertainty risks, avoiding high-exposure/high-uncertainty risks wherever possible.

These risks were managed by the risk management department, ensuring that periodic reports related to all company risks were sent to the risk management committee for high exposure/high uncertainty risks whenever possible. These were then discussed, and recommendations were sent to the executive management for implementation in the company.

5-The Company did not face any insurance risks during the reporting period that did not reflect its actual exposure.

6-The Company does not have any co-insurance features in its insurance contracts, and there are no limitations on the company's discretion.

7-The Company does not have any contingent liabilities with the government or any other entities.

When discussing quantitative data related to insurance risks, the company disclosed the methods used, strengths, determinants in these methods, assumptions, the impact of reinsurance, contract holder participation, and all other mitigating factors within the tables below.

Steps Followed in Assumptions Identification

These steps rely on internal data derived from quarterly claims reports and sorting of executed insurance contracts as documented in the Consolidated Financial Statements. The goal is to extract existing insurance contracts. The selection of applicable results for each type of insurance incident for the year is based on evaluating the most suitable mechanism for observing historical developments.

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40- Risk Management (Continued)

Second: Quantitative Disclosures

2-Claims Development

The tables below present information on the total development of claims over the past 10 years from the reporting year. The incurred claims displayed in the table correspond to the total carrying amount of insurance contract groups.

Fire

<u>Estimates of gross undiscounted maximum claims*</u>	<u>Earlier period</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>Total</u>
As at the end of the year	614,384	363,107	591,631	274,817	349,602	349,602
After 1 year	842,732	263,445	520,699	253,672	-	253,672
After 2 years	723,252	263,445	522,049	-	-	522,049
After 3 years	475,252	263,445	-	-	-	263,445
After 4 years	487,330	-	-	-	-	487,330
Total	487,330	263,445	522,049	253,672	349,602	1,876,098
Net accumulative claims paid	456,009	62,695	453,812	249,167	10,706	1,232,389
Discount effect	-	-	-	-	(15,555)	(15,555)
Net liabilities versus claims incurred	31,321	200,750	68,237	4,505	323,341	628,155

<u>Estimates of total undiscounted maximum claims*</u>	<u>Earlier period</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>Total</u>
As in the end of the year	19,705	11,646	30,028	46,545	34,215	142,138
After 1 year	27,029	8,449	26,428	42,963	-	104,869
After 2 years	23,197	8,449	26,496	-	-	58,142
After 3 years	15,243	8,449	-	-	-	23,692
After 4 years	15,630	-	-	-	-	-
After 5 years	-	-	-	-	-	-
After 6 years	-	-	-	-	-	-
After 7 years	-	-	-	-	-	-
After 8 years	-	-	-	-	-	-
After 9 years	-	-	-	-	-	-
After 10 years	-	-	-	-	-	-
Total	15,630	8,449	26,496	42,963	34,215	127,754
Paid	14,625	2,011	23,033	42,200	1,048	82,917
Net	1,005	6,439	3,463	763	33,167	82,917

*The estimates represent reported and unreported claims.

Maximum Claims = Claims Under Settlement + Claims Paid + Claims Incurred but Not Reported (IBNR)

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40- Risk Management (Continued)

Second: Quantitative Disclosures

2- Claims Development (Continued)

Engineering

Estimates of gross undiscounted maximum claims	Earlier period	2022	2023	2024	2025	Total
As in the End of The Year	12,978	5,109	6,320	9,488	302,772	302,772
After 1 year	6,728	11,179	5,889	9,305	-	9,305
After 2 years	6,728	11,179	5,889	-	-	5,889
After 3 years	6,728	11,179	-	-	-	11,179
After 4 years	3,828	-	-	-	-	3,828
Total	3,828	11,179	5,889	9,305	302,772	332,973
Total accumulative claims paid	3,728	11,179	5,889	9,305	281,372	311,473
Discount effect	-	-	-	-	228	228
Total liabilities versus claims incurred	100	-	-	-	21,172	21,172

Estimates of total undiscounted maximum claims	Earlier period	2022	2023	2024	2025	Total
As in the End of The Year	416	164	321	1,607	29,632	32,139
After 1 year	216	359	299	1,576	-	2,449
After 2 years	216	359	299	-	-	873
After 3 years	216	359	-	-	-	574
After 4 years	123	-	-	-	-	123
After 5 years	-	-	-	-	-	-
After 6 years	-	-	-	-	-	-
After 7 years	-	-	-	-	-	-
After 8 years	-	-	-	-	-	-
After 9 years	-	-	-	-	-	-
After 10 years	-	-	-	-	-	-
Total	123	359	299	1,576	29,632	31,988
Paid	120	359	299	1,576	27,537	29,890
Net	3	-	-	-	2,094	29,890

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40- Risk Management (Continued)
Second: Quantitative Disclosures
2- Claims Development (Continued)

Marine

Estimates of gross undiscounted maximum claims

	Earlier period	2022	2023	2024	2025	Total
As at the end of the year	108,892	88,090	124,147	30,736	260,698	260,698
After 1 year	108,402	80,320	124,097	35,657	-	35,657
After 2 years	81,707	76,670	126,438	-	-	126,438
After 3 years	81,707	76,888	-	-	-	76,888
After 4 years	81,707	-	-	-	-	81,707
Total	81,707	76,888	126,438	35,657	260,698	581,388
Total accumulative claims paid	44,107	75,487	107,160	15,273	59,109	301,136
Discount effect	-	-	-	-	(15,667)	(15,667)
Total liabilities versus claims incurred	37,600	1,401	19,278	20,384	185,922	264,585

Estimates of total undiscounted maximum claims

	Earlier period	2022	2023	2024	2025	Total
As at the End of The Year	6,471	5,235	19,716	1,041	24,495	56,957
After 1 year	6,442	4,773	19,708	1,207	-	32,130
After 2 years	4,855	4,556	20,080	-	-	29,491
After 3 years	4,855	4,569	-	-	-	9,424
After 4 years	4,855	-	-	-	-	4,855
After 5 years	-	-	-	-	-	-
After 6 years	-	-	-	-	-	-
After 7 years	-	-	-	-	-	-
After 8 years	-	-	-	-	-	-
After 9 years	-	-	-	-	-	-
After 10 years	-	-	-	-	-	-
Total	4,855	4,569	20,080	1,207	24,495	55,206
Paid	2,621	4,486	17,018	517	5,554	30,196
Net	2,234	83	3,062	690	18,941	30,196

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40- Risk Management (Continued)

Second: Quantitative Disclosures

2- Claims Development (Continued)

Life

Estimates of gross undiscounted maximum claims	Earlier period	2022	2023	2024	2025	Total
As at the End of The Year	316,714	303,912	305,361	227,667	498,105	498,105
After 1 year	342,523	339,982	320,022	306,437	-	306,437
After 2 years	352,911	341,682	321,209	-	-	321,209
After 3 years	351,661	340,432	-	-	-	340,432
After 4 years	352,911	-	-	-	-	352,911
Total	352,911	340,432	321,209	306,437	498,105	1,819,094
Total accumulative claims paid	325,161	326,314	317,248	275,175	475,044	1,718,942
Discount effect	-	-	-	-	(586)	(586)
Net liabilities versus claims incurred	27,750	14,118	3,961	31,261	22,475	99,565

Estimates of total undiscounted maximum claims

	Earlier period	2022	2023	2024	2025	Total
As in the End of The Year	10,158	9,747	15,498	38,559	48,748	122,711
After 1 year	10,986	10,904	16,243	51,900		90,032
After 2 years	11,319	10,959	16,303			38,580
After 3 years	11,279	10,919				22,197
After 4 years	11,319					11,319
Total	11,319	10,919	16,303	51,900	48,748	139,188
Paid	10,429	10,466	16,102	46,605	46,491	130,093
Net liabilities versus claims incurred	890	453	201	5,295	2,257	9,095

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40- Risk Management (Continued)

Second: Quantitative Disclosures

2- Claims Development (Continued)

Medical

Estimates of gross undiscounted maximum claims	Earlier period	2022	2023	2024	2025	Total
As at the end of the year	34,153,113	4,779,635	5,636,101	5,737,934	5,517,935	55,824,718
After 1 year	-	-	-	-	-	-
After 2 years	-	-	-	-	-	-
After 3 years	-	-	-	-	-	-
After 4 years	-	-	-	-	-	-
After 5 years	-	-	-	-	-	-
After 6 years	-	-	-	-	-	-
After 7 years	-	-	-	-	-	-
After 8 years	-	-	-	-	-	-
After 9 years	-	-	-	-	-	-
	-	-	-	-	-	-
Total accumulative claims paid	34,153,113	4,779,635	5,636,101	5,737,934	5,517,935	55,824,718
Discount effect	-	-	-	-	-	-
Total liabilities versus claims incurred	-	644,881	639,959	317,692	211,427	1,813,959

Estimates of total undiscounted maximum claims	Earlier period	2022	2023	2024	2025	Total
As at the End of The Year	11,885,113	1,861,999	2,357,598	2,151,490	2,008,231	20,264,431
After 1 year	-	-	-	-	-	-
After 2 years	-	-	-	-	-	-
After 3 years	-	-	-	-	-	-
After 4 years	-	-	-	-	-	-
After 5 years	-	-	-	-	-	-
After 6 years	-	-	-	-	-	-
After 7 years	-	-	-	-	-	-
After 8 years	-	-	-	-	-	-
After 9 years	-	-	-	-	-	-
After 10 years	-	-	-	-	-	-
After 11 years	-	-	-	-	-	-
After 12 years	-	-	-	-	-	-
Net accumulative claims paid	11,885,113	1,861,999	2,357,598	2,151,490	2,008,231	20,264,431
Discount effect	-	-	-	-	-	-
Net liabilities versus claims incurred	-	215,274	271,059	127,077	84,595	698,005

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40- Risk Management (Continued)

Second: Quantitative Disclosures

2- Claims Development (Continued)

Third-party Insurance

Estimates of total undiscounted maximum claims	Earlier period	2022	2023	2024	2025	Total
As at the end of the year	3,087,984	3,692,574	5,115,230	6,698,782	7,248,066	7,248,066
After 1 year	4,166,828	5,093,022	6,800,115	8,886,860	-	8,886,860
After 2 years	4,389,685	5,510,818	7,308,107	-	-	7,308,107
After 3 years	4,593,048	5,618,507	-	-	-	5,618,507
After 4 years	4,570,121	-	-	-	-	4,570,121
After 5 years	-	-	-	-	-	-
After 6 years	-	-	-	-	-	-
After 7 years	-	-	-	-	-	-
After 8 years	-	-	-	-	-	-
After 9 years	-	-	-	-	-	-
After 10 years	-	-	-	-	-	-
Total	4,570,121	5,618,507	7,308,107	8,886,860	7,248,066	33,631,661
Total accumulative claims paid	4,509,243	5,467,418	6,978,987	8,149,141	5,073,241	30,178,030
Discount effect	-	-	-	-	(73,111)	(73,111)
Total liabilities versus claims incurred	60,878	151,089	329,120	737,719	2,101,714	3,380,520

Estimates of total undiscounted maximum claims	Earlier period	2022	2023	2024	2025	Total
As in the End of The Year	2,665,348	3,187,192	4,271,167	5,937,515	6,568,805	22,630,027
After 1 year	3,596,537	4,395,968	5,678,030	7,876,934	-	21,547,469
After 2 years	3,788,893	4,756,582	6,102,199	-	-	14,647,674
After 3 years	3,964,422	4,849,533	-	-	-	8,813,955
After 4 years	3,944,633	-	-	-	-	3,944,633
After 5 years	-	-	-	-	-	-
After 6 years	-	-	-	-	-	-
After 7 years	-	-	-	-	-	-
After 8 years	-	-	-	-	-	-
After 9 years	-	-	-	-	-	-
After 10 years	-	-	-	-	-	-
Total	3,944,633	4,849,533	6,102,199	7,876,934	6,568,805	29,342,104
Paid	3,892,087	4,719,123	5,827,386	7,223,051	4,597,796	26,259,443
Net	52,546	130,410	274,813	653,883	1,971,009	26,259,443

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40- Risk Management (Continued)

Second: Quantitative Disclosures

2- Claims Development (Continued)

Comprehensive Insurance

Estimates of gross undiscounted maximum claims	Earlier period	2022	2023	2024	2025	Total
As at the end of the year	3,027,511	3,594,550	4,966,234	6,508,822	7,138,963	7,138,963
After 1 year	4,079,997	4,963,618	6,608,984	8,612,773	-	8,612,773
After 2 years	4,301,654	5,376,658	7,109,672	-	-	7,109,672
After 3 years	4,489,114	5,477,926	-	-	-	5,477,926
After 4 years	4,458,288	-	-	-	-	4,458,288
After 5 years	-	-	-	-	-	-
After 6 years	-	-	-	-	-	-
After 7 years	-	-	-	-	-	-
After 8 years	-	-	-	-	-	-
After 9 years	-	-	-	-	-	-
After 10 years	-	-	-	-	-	-
Total	4,458,288	5,477,926	7,109,672	8,612,773	7,138,963	32,797,622
Total accumulative claims paid	4,509,243	5,467,418	6,978,987	8,149,141	5,073,241	30,178,030
Discount effect	-	-	-	-	(73,111)	(73,111)
Total liabilities versus claims incurred	(50,955)	10,507	130,685	463,632	1,992,612	2,546,481

Estimates of total undiscounted maximum claims	Earlier period	2022	2023	2024	2025	Total
As in the End of The Year	1,875,057	2,226,246	2,522,741	3,490,281	4,772,654	14,886,980
After 1 year	2,526,902	3,074,164	3,357,223	4,618,501	-	13,576,790
After 2 years	2,664,183	3,329,976	3,611,562	-	-	9,605,721
After 3 years	2,780,285	3,392,695	-	-	-	6,172,980
After 4 years	2,761,193	-	-	-	-	2,761,193
After 5 years	-	-	-	-	-	-
After 6 years	-	-	-	-	-	-
After 7 years	-	-	-	-	-	-
After 8 years	-	-	-	-	-	-
After 9 years	-	-	-	-	-	-
After 10 years	-	-	-	-	-	-
Total	2,761,193	3,392,695	3,611,562	4,618,501	4,772,654	19,156,605
Paid	3,892,087	4,719,123	5,827,386	7,223,051	4,597,796	26,259,443
Net	52,546	130,410	274,813	653,883	1,971,009	26,259,443

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40- Risk Management (Continued)

Second: Quantitative Disclosures

3. Concentration of insurance risks

The Company must disclose the concentration of insurance risks, including a description of how management determined this concentration and an explanation of the common characteristics of each concentration, such as the type of insured, geographic region, or currency.

	2025	2025	2024	2024
	Net	Grand Total	Net	Grand Total
Vehicles	18,531,446	20,422,060	17,660,926	19,610,276
Marine and transportation	74,334	988,553	66,788	965,153
Fire and Other Property Damage Insurance	125,494	2,153,754	89,396	2,676,279
Civil Liability	99,455	248,819	43,330	115,681
Medical	1,398,382	2,915,408	1,108,206	2,325,521
Life	86,497	144,546	137,124	256,692
Total	20,315,608	26,873,140	19,105,770	25,949,602

- Assets and liabilities are concentrated according to geographical and sectoral distribution as follows:

A- According to Geographical region

	2025				2024			
	Assets	Liabilities	Reinsurance assets	Reinsurance liabilities	Assets	Liabilities	Reinsurance assets	Reinsurance liabilities
Inside Kingdom	6,557,532	26,873,140	-	-	6,843,832	25,949,602	-	-
Middle eastern countries	-	-	2,279,161	-	-	-	2,527,513	-
Europe	-	-	3,280,384	209,714	-	-	3,533,724	255,267

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40- Risk Management (Continued)

Second: Quantitative Disclosures

3. Concentration of insurance risks (Continued)

B- By Sector

	2025			2024		
	Assets	Liabilities	Items outside financial position statement	Assets	Liabilities	Items outside financial position statement
Public sector	1,717,680	7,023,658	-	1,792,673	6,782,279	-
Private sector	-	-	-	-	-	-
Companies and Establishments	4,029,386	15,891,570	-	4,205,308	15,345,431	-
Individuals	810,466	3,957,912	-	845,851	3,821,892	-
Total	6,557,532	26,873,140	-	6,843,832	25,949,602	-

4. Reinsurance risks

As part of its normal business, the Company enters into reinsurance agreements with other parties. In order to reduce its exposure to significant losses as a result of the insolvency of reinsurance companies, the Company evaluates the financial position of the reinsurance companies with which it deals and monitors concentrations of credit risks resulting from geographic regions and activities or economic components similar to those companies. The reinsurance contracts issued do not relieve the Company of its obligations towards insurance policyholders, and as a result the Company remains committed to the balance of reinsured claims in the event that the reinsurers are unable to fulfill their obligations in accordance with the reinsurance contracts.

5. Insurance risk sensitivity

The company discloses the sensitivity of insurance risks and conducts sensitivity analysis showing how profit or loss and equity would be affected in the event of a change in a relevant risk variable as of the financial statement date.

The company adopted the One at a Time (OAT) approach to sensitivity analysis to determine its impact on the outcome. This approach is logical because any change observed in the outcome will undoubtedly be due to a change in a single factor. Furthermore, by changing one factor at a time, one can keep other factors constant in their central or base values. This increases the comparability of results.

There are no changes from the previous year in the methods and assumptions adopted by the company in its sensitivity analysis approach.

There are no provisions or conditions in the insurance contracts that have a material impact on the amount, timing, or uncertainty of the company's future cash flows.

Below is a table illustrating the potential reasonable impact of changes in underwriting premium rates on the income statement and equity, while keeping all other influencing variables constant.

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40- Risk Management (Continued)

Second: Quantitative Disclosures

5. Insurance risk sensitivity (Continued)

	<u>2025</u>	Percentage Change	Contractual Service Margin		Profit or Loss		Impact on Equity	
			Gross	Net	Gross	Net	Gross	Net
Mortality rate		5%	-	-	(27,975)	(6,994)	(27,975)	(6,994)
		-5%	-	-	27,975	6,994	27,975	6,994
Morbidity		5%	-	-	(893)	(152)	(893)	(152)
		-5%	-	-	893	152	893	152
Longevity		5%	-	-	27,975	3,070	27,975	3,070
		-5%	-	-	27,975	(6,994)	27,975	(6,994)
Expenses		5%	-	-	(5,594)	(5,594)	(5,594)	(5,594)
		-5%	-	-	5,594	5,594	5,594	5,594
Lapse rate		5%	-	-	(27,975)	(6,994)	(27,975)	(6,994)
		-5%	-	-	27,975	6,994	27,975	6,994
Gross loss ratio		5%	-	-	(21,770)	(21,771)	(21,770)	(21,771)
		-5%	-	-	21,770	21,771	21,770	21,771
Motor		5%	-	-	39,338	7,694	39,338	7,694
		-5%	-	-	(39,338)	(7,694)	(39,338)	(7,694)
Marine		5%	-	-	15,907	3,115	15,907	3,115
		-5%	-	-	(15,928)	(3,115)	(15,928)	(3,115)
Fire		5%	-	-	4,182	818	4,182	818
		-5%	-	-	(4,182)	(818)	(4,182)	(818)
Liability		5%	-	-	1,661	324	1,661	324
		-5%	-	-	(1,661)	(324)	(1,661)	(324)
Medical		5%	-	-	8,619	1,698	8,619	1,698
		-5%	-	-	(8,619)	(1,698)	(8,619)	(1,698)

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40- Risk Management (Continued)

Second: Quantitative Disclosures

5. Insurance risk sensitivity (Continued)

2025	<u>Percentage</u>	<u>Contractual</u>	<u>Contractual</u>	<u>Profit or Loss</u>	<u>Profit or Loss</u>	<u>Impact on Equity</u>	<u>Impact on Equity</u>
	<u>Change</u>	<u>Service Margin</u>	<u>Service Margin</u>				
	<u>-</u>	<u>Gross</u>	<u>Net</u>	<u>Gross</u>	<u>Net</u>	<u>Gross</u>	<u>Net</u>
<u>Mortality rate</u>	5%	-	-	(26,643)	(6,661)	(26,643)	(6,661)
	-5%	-	-	26,643	6,661	26,643	6,661
<u>Morbidity</u>	5%	-	-	(851)	(145)	(581)	(145)
	-5%	-	-	851	145	581	145
<u>Longevity</u>	5%	-	-	26,643	2,924	10,610	2,924
	-5%	-	-	26,643	(6,661)	(26,643)	(6,661)
<u>Expenses</u>	5%	-	-	(5,328)	(5,328)	(5,328)	(5,328)
	-5%	-	-	5,328	5,328	5,328	5,328
<u>Lapse rate</u>	5%	-	-	(26,643)	(6,661)	(26,643)	(6,661)
	-5%	-	-	26,643	6,661	26,643	6,661
<u>Gross loss ratio</u>	5%	-	-	(20,734)	(20,734)	(20,734)	(20,734)
	-5%	-	-	20,734	20,734	20,734	20,734
<u>Motor</u>	5%	-	-	37,465	7,328	37,465	7,328
	-5%	-	-	(37,465)	(7,328)	(37,465)	(7,328)
<u>Marine</u>	5%	-	-	15,150	2,967	15,150	2,967
	-5%	-	-	(15,170)	(2,967)	(15,170)	(2,967)
<u>Fire</u>	5%	-	-	3,983	779	3,983	779
	-5%	-	-	(3,983)	(779)	(3,983)	(779)
<u>Liability</u>	5%	-	-	1,582	309	1,582	309
	-5%	-	-	(1,582)	(309)	(1,582)	(309)
<u>Medical</u>	5%	-	-	8,209	1,617	8,209	1,617
	-5%	-	-	(8,209)	(1,617)	(8,209)	(1,617)

40- Risk Management (Continued)

Second: Quantitative Disclosures

5. Insurance risk sensitivity (Continued)

Financial risks

The risks to which the Company is exposed revolve around the possibility that the collection of premiums and the return on investments will be insufficient to finance the obligations arising from insurance contracts and investments.

The Company follows financial policies to manage various risks within a specific strategy. The Company's management is responsible for monitoring and controlling risks and making the optimal strategic distribution of both financial assets and financial liabilities. The risks include interest rates, credit risks, foreign exchange rate risks and market risks. The Company follows a financial hedging policy for both financial assets and financial liabilities whenever necessary, which is hedging related to expected future risks.

1- Market risk

It is the risk of fluctuation in the fair value or cash flows of financial instruments as a result of changes in market prices such as interest rates, currency rates, and stock prices. Market risks arise as a result of the presence of open positions in interest rates, currencies, and investments in stocks. These risks are monitored in accordance with specific policies and procedures and through specialized committees. And the relevant business centers. Market risks include interest rate risks, exchange rate risks, and the risks of changes in stock prices.

If the company does not use the value-at-risk approach to measure market risks, it must disclose, when conducting sensitivity analysis, each type of market risk separately (interest rate risk, foreign exchange risk, price risk), along with the impact on profits, losses, and equity resulting from reasonable changes in the variables affecting the size of the related risks.

A- Interest rate risk

Interest rate risk relates to interest rates on fixed bank deposits and bank overdrafts. As at 31 December 2025, the interest rate on bank deposits ranged from 2% to 6.25% per annum (2024: from 2.5% to 6.95% per annum).

The Company places its deposits for a one-year term at fixed interest rates to mitigate the risk of interest rate fluctuations. The Company also reduces its exposure to interest rate risk by monitoring changes in market interest rates, matching the maturities of assets and liabilities, and periodically monitoring yield gaps.

B- Foreign currency risks

Foreign Currency Risks arise from fluctuations in the value of financial instruments due to changes in foreign currency exchange rates. The majority of the group's assets and liabilities are denominated in either Jordanian Dinar or US Dollar. The exchange rate between the Jordanian Dinar and the US Dollar is fixed at a rate of %709 The likelihood of this risk is considered low.

Therefore, the group does not hedge against foreign currency risks for the following reasons:

- The exchange rate of the US Dollar remains stable between 0.708 and 0.710, both in buying and selling, as set by the Central Bank of Jordan.
- All accounts of the group with various entities, including reinsurers, are in Jordanian Dinar.
- There are no accounts in other foreign currencies, although the group continuously monitors currency exchange rate fluctuations.

Foreign currency risks involve changes in the value of financial instruments due to fluctuations in foreign exchange rates. The Jordanian Dinar is the group's base currency. The Board of Directors sets financial limits for each currency within the group. Foreign currency positions are monitored daily, and strategies are followed to ensure that foreign currency positions are within approved limits.

The management believes that foreign currency risks and their impact on Consolidated financial statements are immaterial.

40- Risk Management (Continued)

Second: Quantitative Disclosures

5. Insurance risk sensitivity (Continued)

Financial risks (Continued)

The Company's net concentration of major foreign currencies is as follows:

Currency Type	In Foreign currency		Equivalent to Jordanian Dinars	
	2025	2024	2025	2024
US Dollar	17,372,144	11,755,735	12,334,222	8,346,572

C- Stock Price Risks

Stock price risks arise from changes in the fair value of stock. The company manages these risks by diversifying its investments across multiple geographical regions and economic sectors.

The company also links deposits for a one-year term with a fixed interest rate to avoid risks associated with interest rate fluctuations. This is done by monitoring changes in market interest rates, balancing the total maturity of assets and liabilities, and periodically monitoring yield gaps.

2- Credit Risk

This type of risk arises from the inability of other parties to the Group to fulfill their obligations. Such risks arise from:

- Reinsurers
- Policyholders
- Insurance brokers

To mitigate credit risk, the Group undertakes the following measures:

- Setting credit limits for brokers and agents.
- Monitoring receivables.
- Establishing reinsurance policies with financially strong counterparties.
- Maintaining the Group's cash balances with local and international banks.

The Group's management considers foreign currency risks and their impact on the financial statements to be immaterial.

3- Liquidity Risk

The management follows an appropriate system for managing risks related to both short-term and long-term financing. This is achieved by maintaining adequate reserves, actively monitoring expected cash flows, and comparing the maturity of assets on one hand with financial liabilities and technical obligations on the other.

Liquidity risk refers to the group's inability to secure the necessary funding to meet its obligations as they become due. To mitigate this risk, management diversifies funding sources, manages assets and liabilities by aligning their maturities, and maintains a sufficient balance of cash, cash equivalents, and marketable securities.

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40- Risk Management (Continued)

Second: Quantitative Disclosures

5. Insurance risk sensitivity (Continued)

Financial Risks (continued)

2. Liquidity Risk (continued)

	Less than one month	From 1 to 3 months	From 3 to 6 months	From 6 to 12 months	More than one year	Total
December 31, 2025						
Insurance liabilities	2,955,520	6,911,728	5,934,313	3,956,208	3,514,045	23,271,814
Reinsurance contract liabilities	4,719	11,010	9,437	6,291	178,257	209,714
Accrued expenses	58,843	-	-	-	-	58,843
Income tax provision	229,024	-	343,535	-	-	572,559
Different Provisions	39,204	-	-	-	-	39,204
Other Liabilities	488,676	-	-	-	-	488,676
Total insurance liabilities	3,775,986	6,922,738	6,287,285	3,962,499	3,692,302	24,640,810
Total insurance assets	2,659,209	1,390,971	3,477,428	4,950,221	28,433,085	40,910,914
December 31, 2024						
Insurance liabilities	2,592,769	6,063,404	5,205,953	3,470,635	3,082,741	20,415,501
Reinsurance contract liabilities	5,747	13,402	11,487	7,658	216,973	255,267
Income tax provision	63,075	-	-	-	-	63,075
Accrued expenses	85,832	-	128,748	-	-	214,580
Different Provisions	55,136	-	-	-	-	55,136
Other Liabilities	550,641	-	-	-	-	550,641
Total insurance liabilities	3,353,200	6,076,806	5,346,188	3,478,293	3,299,714	21,554,200
Total insurance assets	2,170,749	1,135,468	2,838,671	4,040,932	23,210,311	33,396,131

4- Operational Risk

These are the risks resulting from systems failure or could result from any intentional or unintentional human error.

These risks can affect the Company's reputation, as they can lead to financial loss. Such dangers can be avoided by separating duties and establishing the necessary procedures to obtain any information from the systems used in the Company, and through educating and training group staff.

5- Legal Risk

This type of danger results from legal claims against the Group. To avoid these dangers, the Group has established an independent legal department to follow up on the Company's work in accordance with the law regulating insurance business and the instructions of the Insurance Authority.

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41 - Analysis Of Main Sectors

• **Information about the group's business sectors**

For administrative purposes, the Company has been organized to include two business sectors, the general insurance sector, which includes (Vehicles insurance, Marine insurance, Transportation, Fire and other damage to property, medical insurance and other branches) and the life insurance sector, which includes (Individual and group insurance) These two segments form the basis that the Company uses to show information regarding its major segments. The above two segments also include investments and cash management for the Company's own account. Transactions between business segments are carried out on the basis of estimated market prices and on the same terms as those dealt with other parties.

• **Geographic distribution information:**

This clarification represents the geographical distribution of the group's operations. The group primarily operates in the local market, which represents domestic activities, and also conducts international activities through its branches in the Middle East, Europe, Asia, America, and the Middle East, where transactions are carried out with third parties.

Below is the distribution of the group's revenues, assets, and capital expenditures by geographical sector:

Particulars	Inside Kingdom		Outside Kingdom		Total	
	2025	2024	2025	2024	2025	2024
Total revenues	31,021,106	28,209,433	-	-	31,021,106	28,209,433
Total assets	35,445,805	27,334,894	5,465,109	6,061,237	40,910,914	33,396,131
Capital expenditures	7,398	17,824	-	-	7,398	17,824

42- Share Capital Management

Capital management objectives in managing its capital are as follows:

- Compliance with the minimum capital requirements set forth by the Insurance Regulation Law.
- Ensuring the company's continuity, thereby providing the group with the ability to offer shareholders appropriate returns on their capital.
- Providing adequate returns to shareholders through pricing insurance contracts commensurate with the risks associated with those contracts.
- Adherence to the insurance management instructions regarding solvency margins.

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42 – Share Capital Management (continued)

The table below shows a summary of the group retained capital and the minimum required capital:

	2025	2024
Paid-up capital	8,800,000	8,000,000
The minimum capital requirement under the Insurance Business Regulation Law	8,800,000	8,000,000
	2025	2024
Core Items of Share Capital:		
Paid-up capital	8,800,000	8,000,000
Statuary reserve	2,205,342	1,978,155
Voluntary reserve	186,446	800,000
Retained earnings	3,517,199	2,427,374
Total basic capital	14,708,987	13,205,529
	2025	2024
Additional Share Capital		
Accumulated Change in Fair Value	2,426,904	(186,630)
Increase in Property Investments	722,375	704,768
Total Additional Capital	3,149,279	518,138
	2025	2024
Total Regulatory Capital (A)	17,858,266	13,723,667
Total Required Capital (B)	8,396,834	8,272,366
Solvency Margin Ratio A/B	213%	166%

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43 - Maturity Analysis of Current and Non-Current Assets and Liabilities

December 31, 2025	Up to one year	More than one year	Total
Assets:			
Deposits with banks	12,422,819	-	12,422,819
Financial assets at fair value through other comprehensive income	-	7,039,253	7,039,253
Financial assets at amortized cost	-	12,316,722	12,316,722
Investment property	-	377,933	377,933
Cash on hand and at banks	-	1,123,296	1,123,296
Insurance Contract assets	-	-	-
Reinsurance assets held	4,918,598	546,511	5,465,109
Deferred tax assets	-	1,148,570	1,148,570
Property and equipment, Net	-	516,294	516,294
Intangible assets, Net	-	109,467	109,467
Other assets	-	391,451	391,451
	17,341,417	23,569,497	40,910,914
Liabilities:			
Insurance Liabilities	12,799,497	10,472,316	23,271,813
Reinsurance contract liabilities	115,343	94,371	209,714
Accrued expenses	58,843	-	58,843
Income tax payable	572,559	-	572,559
Different provisions	39,204	-	39,204
Other liabilities	488,676	-	488,676
	14,074,122	10,566,687	24,640,809
Net	3,267,295	13,002,810	16,270,105

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43 - Maturity Analysis of Current and Non-Current Assets and Liabilities (Continued)

December 31, 2024	Up to one year	More than one year	Total
Assets:			
Deposits with banks	12,200,907	-	12,200,907
Financial assets at fair value through other comprehensive income	-	4,375,246	4,375,246
Financial assets at amortized cost	-	8,329,072	8,329,072
Investment property	-	395,540	395,540
Cash on hand and at banks	-	208,729	208,729
Insurance Contract assets	17,251	-	17,251
Reinsurance assets held	5,455,113	606,124	6,061,237
Deferred tax assets	-	861,807	861,807
Property and equipment, Net	-	531,440	531,440
Intangible assets, Net	-	141,631	141,631
Other assets	-	273,271	273,271
	<u>17,673,271</u>	<u>15,722,860</u>	<u>33,396,131</u>
Liabilities:			
Insurance Contract Liabilities	11,228,526	9,186,975	20,415,501
Reinsurance contract liabilities	140,397	114,870	255,267
Accrued expenses	63,075	-	63,075
Income tax payable	214,580	-	214,580
Other provisions	55,136	-	55,136
Other liabilities	550,641	-	550,641
	<u>12,252,355</u>	<u>9,301,845</u>	<u>21,554,200</u>
The Net	<u>5,420,915</u>	<u>6,421,015</u>	<u>11,841,931</u>

44- Cases Filed Against the Company

The Group appears as a defendant in cases with a total amount of 4,629,161JD, and in the view of the Group's management, sufficient provisions have been taken Amounted At 4,629,161 JD to meet any obligations related to these cases. According to the Group's legal advisor, the provisions taken are sufficient to cover the liabilities related to these lawsuits as of December 31, 2025.

45- Obligations That May Arise

As of the date of the financial statements, the Group may incur contingent liabilities represented by bank guarantees amounting to 1,621,962 JD as of December 31, 2025 Against an amount of 1,459,908 JD as of December 31, 2024.

46 - Subsequent Events

There were no subsequent events that have a material impact on the Group's results of operations or its going concern. However, on 7 December 2025, the Company received a non-binding offer to acquire 74% of the Company's shares, subject to the completion of financial and legal due diligence and certain other conditions set out in the offer letter.

47 - Comparative Figures

Some comparative figures for the year 2024 have been reclassified to align with the classification figures for the year 2025.

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48- Distribution of the Financial Data According to Type of Products

1- Financial position items

	<u>Vehicles</u>	<u>Public liabilities</u>	<u>Marine</u>	<u>Engineering</u>	<u>Property and equipment</u>	<u>Fire</u>	<u>life</u>	<u>Medical insurance</u>	<u>Other</u>	<u>Total</u>
2025										
Insurance contracts assets	-	-	-	-	-	-	-	-	-	-
Reinsurance contracts	1,558,673	123,448	1,188,743	393,806	-	1,314,143	120,959	765,337	-	5,465,109
Accounts receivables	-	-	-	-	-	-	-	-	-	-
Financial assets	-	-	-	-	-	-	-	-	-	-
Investments	-	-	-	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	-	-	-	-	-
Total assets	<u>1,558,673</u>	<u>123,448</u>	<u>1,188,743</u>	<u>393,806</u>	<u>-</u>	<u>1,314,143</u>	<u>120,959</u>	<u>765,337</u>	<u>-</u>	<u>5,465,109</u>
Insurance contracts liabilities	(18,827,783)	(278,334)	(885,010)	(347,799)	-	(845,467)	(102,023)	(1,985,397)	-	(23,271,813)
Reinsurance contracts liabilities	-	(129,231)	-	(1,982)	-	(45,678)	(32,823)	-	-	(209,714)
Accounts payable	-	-	-	-	-	-	-	-	-	-
Other provisions	-	-	-	-	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-	-	-	-	-
Total liabilities	<u>(18,827,783)</u>	<u>(407,565)</u>	<u>(885,010)</u>	<u>(349,781)</u>	<u>-</u>	<u>(891,145)</u>	<u>(134,846)</u>	<u>(1,985,397)</u>	<u>-</u>	<u>(23,481,527)</u>

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48-Distribution of The Financial Data According to Type of Products (continued)

1- Financial position items (continued)

	Vehicles	Public liabilities	Marine	Engineering	Property and equipment	Fire	life	Medical insurance	Other	Total
2024										
Insurance contracts assets	-	-	-	17,251	-	-	-	-	-	17,251
Reinsurance contracts	1,659,685	131,134	1,045,414	8,013	-	2,529,021	338,737	349,233	-	6,061,237
Accounts receivables	-	-	-	-	-	-	-	-	-	-
Financial assets	-	-	-	-	-	-	-	-	-	-
Investments	-	-	-	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	-	-	-	-	-
Total assets	<u>1,659,685</u>	<u>131,134</u>	<u>1,045,414</u>	<u>25,264</u>	<u>-</u>	<u>2,529,021</u>	<u>338,737</u>	<u>349,233</u>	<u>-</u>	<u>6,078,488</u>
Insurance contracts liabilities	(16,778,271)	(183,307)	(755,596)	(20,095)	-	(1,934,187)	(342,533)	(401,512)	-	(20,415,501)
Reinsurance contracts liabilities	(167,912)	(10,077)	-	(77,278)	-	-	-	-	-	(255,267)
Accounts payable	-	-	-	-	-	-	-	-	-	-
Other provisions	-	-	-	-	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-	-	-	-	-
Total liabilities	<u>(16,946,183)</u>	<u>(193,384)</u>	<u>(755,596)</u>	<u>(97,373)</u>	<u>-</u>	<u>(1,934,187)</u>	<u>(342,533)</u>	<u>(401,512)</u>	<u>-</u>	<u>(20,670,768)</u>

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48- Distribution of the Financial Data According to Type of Products

2- Income statement items

2025	Vehicles	Public liabilities	Marine	Engineering	Property and equipment	Fire	life	Medical insurance	Total
Insurance contracts revenues	19,451,767	297,392	964,253	392,419	-	1,994,965	234,812	7,685,498	31,021,106
Insurance contracts expenses	(17,424,941)	(133,944)	(241,520)	(364,895)	-	70,318	(139,067)	(7,776,814)	(26,010,863)
Insurance contracts Operation results	2,026,826	163,448	722,732	27,524	-	2,065,283	95,745	(91,316)	5,010,243
Reinsurance contracts expenses	(1,192,077)	(163,003)	(499,388)	(353,617)	-	(1,673,877)	(131,730)	(3,767,660)	(7,781,353)
Reinsurance contracts revenues	306,771	(36,453)	56,952	297,136	-	(425,151)	43,946	4,093,287	4,336,488
Reinsurance contracts Operation results	(885,306)	(199,456)	(442,436)	(56,481)	-	(2,099,028)	(87,784)	325,627	(3,444,865)
Net insurance contracts results	1,141,520	(36,008)	280,297	(28,957)	-	(33,745)	7,961	234,311	1,565,378
Finance (expenses)/revenues- Insurance contracts	(824,641)	(6,489)	(26,904)	(5,319)	-	(60,288)	(9,803)	(11,967)	(945,411)
Finance (expenses)/revenues- Reinsurance contracts	44,287	4,613	26,532	4,953	-	57,456	5,013	7,632	150,486
Net insurance finance operations results	(780,354)	(1,876)	(372)	(366)	-	(2,832)	(4,790)	(4,335)	(794,925)
Credit Interest	-	-	-	-	-	-	-	-	1,289,711
Net profit/(loss) of financial assets and investments	-	-	-	-	-	-	-	-	317,562
Other revenues	-	-	-	-	-	-	-	-	64,217
Total revenues	-	-	-	-	-	-	-	-	1,671,490
Expected credit loss provision	-	-	-	-	-	-	-	-	-
Company's share from operations results of subsidiaries/Separate entities	-	-	-	-	-	-	-	-	-
Company's share from operations results of associates	-	-	-	-	-	-	-	-	-
Other expenses	-	-	-	-	-	-	-	-	323,213
Total expenses	-	-	-	-	-	-	-	-	-

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48- Distribution of the Financial Data According to Type of Products (continued)

2- Income statement items (continued)

2024	Vehicles	Public liabilities	Marine	Engineering	Property and equipment	Fire	life	Medical insurance	Total
Insurance contracts revenues	16,832,907	311,122	1,132,560	202,780	-	2,468,328	430,665	6,831,071	28,209,433
Insurance contracts expenses	(16,239,755)	170,802	(1,035,286)	(317,772)	-	(2,026,979)	(719,957)	(6,420,284)	(26,589,231)
Insurance contracts Operation results	593,152	481,924	97,274	(114,992)	-	441,349	(289,292)	410,787	1,620,202
Reinsurance contracts expenses	(1,133,872)	(172,370)	(642,935)	(139,109)	-	(2,167,571)	(229,867)	(3,416,120)	(7,901,844)
Reinsurance contracts revenues	(109,275)	(215,914)	819,385	252,681	-	1,673,044	486,805	3,379,254	6,285,980
Reinsurance contracts Operation results	(1,243,147)	(388,284)	176,450	113,572	-	(494,527)	256,938	(36,866)	(1,615,864)
Net insurance contracts results	(649,995)	93,640	273,724	(1,420)	-	(53,178)	(32,354)	373,921	4,338
Finance (expenses)/revenues- Insurance contracts	(229,210)	(15,298)	(33,213)	(1,550)	-	(81,346)	(8,796)	(9,942)	(379,355)
Finance (expenses)/revenues- Reinsurance contracts	39,442	13,037	31,727	1,372	-	76,997	4,258	2,113	168,946
Net insurance finance operations results	(189,768)	(2,261)	(1,486)	(178)	-	(4,349)	(4,538)	(7,829)	(210,409)
Credit Interest	-	-	-	-	-	-	-	-	1,198,440
Net profit/(loss) of financial assets and investments	-	-	-	-	-	-	-	-	276,661
Other revenues	-	-	-	-	-	-	-	-	6,163
Total revenues	-	-	-	-	-	-	-	-	1,481,264
Expected credit loss provision	-	-	-	-	-	-	-	-	-
Company's share from operations results of subsidiaries/ Separate entities	-	-	-	-	-	-	-	-	-
Company's share from operations results of associates	-	-	-	-	-	-	-	-	-
Other expenses	-	-	-	-	-	-	-	-	283,563
Total expenses	-	-	-	-	-	-	-	-	283,563

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49- Written Premiums - Insurance Branch

	Vehicles		Public liabilities		Marine		Engineering		Fire		life		Medical insurance		Total	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
Written premiums																
Direct premiums																
Received	14,910,290	15,083,074	131,727	99,110	727,384	1,000,073	86,646	114,745	1,958,084	2,213,938	148,801	381,019	7,922,048	6,574,421	25,884,980	25,466,380
installments	2,321,521	1,745,506	593	65,480	132,974	152,253	357,156	-	429,987	-	20,184	46,491	-	-	3,262,415	2,009,730
Total premiums																
Written	17,231,811	16,828,580	132,320	164,590	860,358	1,152,326	443,802	114,745	2,388,071	2,213,938	168,985	427,510	7,922,048	6,574,421	29,147,395	27,476,110
Less:																
Local reinsurer share	759,588	752,105	-	-	2,551	79,676	40,993	-	437,452	31,044	-	-	-	-	1,240,584	862,825
Foreign reinsurer share	376,142	246,240	101,724	77,265	620,966	837,128	394,291	104,574	1,633,130	2,105,757	99,302	240,511	4,017,307	3,391,089	7,242,862	7,002,564
Net written premiums	16,096,081	15,830,235	30,596	87,325	236,841	235,522	8,518	10,171	317,489	77,137	69,683	186,999	3,904,741	3,183,332	20,663,949	19,610,721

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50. Amortization Of Acquisition Cost for Insurance Contract Assets

		Insurance contracts issued							
		Vehicles	Liability	Marine	Engineering	Fire	Life	Medical insurance	Total
<u>2025</u>									
No. of expected years to amortize acquisition cost to insurance contracts assets		1,510,657	90,443	84,581	45,447	258,674	33,171	446,043	2,469,016
Total		1,510,657	90,443	84,581	45,447	258,674	33,171	446,043	2,469,016
		Insurance contracts issued							
		Vehicles	Liability	Marine	Engineering	Fire	Life	Medical insurance	Total
<u>2024</u>									
No. of expected years to amortize acquisition cost to insurance contracts assets		1,268,911	40,127	94,390	19,290	271,560	35,574	323,698	2,053,550
Total		1,268,911	40,127	94,390	19,290	271,560	35,574	323,698	2,053,550

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51- Receivables Analysis

	2025			2024		
	Receivables	Expected credit losses provision	Net	Receivables	Expected credit losses provision	Net
Vehicles	3,442,949	(634,704)	2,808,245	3,809,100	(699,707)	3,109,393
General liability	172,304	(27,941)	144,363	71,532	(248)	71,284
Marine	278,546	(16,161)	262,385	413,372	(16,161)	397,211
Engineering	71,089	(1,098)	69,991	56,283	(1,098)	55,185
Fire	911,452	(181,183)	730,269	1,227,005	(181,183)	1,045,822
Life	91,243	(26,330)	64,913	181,548	(29,330)	152,218
Medical insurance	2,429,994	(564,898)	1,865,096	2,660,387	(624,588)	2,035,799
Other	-	-	-	-	-	-
Total	7,397,577	(1,452,315)	5,945,262	8,419,227	(1,522,315)	6,866,912